The Forum

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WILLIAM McKINLEY.

THE tragedy is over. The last word has been spoken; the bells have tolled; the funeral march has sounded sadly in our ears; and the black-draped train has conveyed to its last resting-place the body of William McKinley, who, while occupying the high position of President of the United States, was stricken by the assassin's bullet. With the melancholy music of the dirge still lingering in memory, and with the mournful picture of the casket not yet effaced, it is not time to attempt either panegyric or criticism of the man whose career was brought to this sudden and tragic close. When the passing years shall have revealed in true perspective the character and acts of William McKinley, both as a private citizen and as a public official, the duty of judging him accurately and impartially can be appropriately undertaken. Meanwhile, let this article afford to the readers of THE FORUM a glimpse of the man as he appeared to an observer of affairs at the national capital.

Mr. McKinley came to Washington in 1877, having been elected in November, 1876, to represent the Eighteenth District of Ohio in the Forty-fifth Congress. He was then thirty-four years old. His previous life had not been uneventful. In his birth he had the advantage of good blood, which, coming down from his Covenanter ancestors, had flowed through the veins of Revolutionary patriots. It was good stock all along the line, clear-headed, industrious, frugal, with mental horizon not wide, perhaps, but well-defined. Upon this solid foundation the boy was brought up well. His home training was admirable. His mother, deeply religious, developed in him the spirit of faith and rever-

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ence which assured a Christian manhood. His father, a man of intelligence and a great lover of books, widened the boy's horizon by conversations on broad subjects. In those days, the exciting issues which preceded the Civil War were discussed by the hearth-stone of the farm-house and around the stove in the cross-roads store. Young McKinley took part in these impromptu debates, learning by experience the art of forming his sentences easily and well, and, in fact, laying the foundation of his public life. He breathed, while yet a mere lad, the atmosphere of political battle. He was, of course, an earnest opponent of slavery, nor did he lack the courage of his convictions. When the conflict began he shouldered a musket; he was a captain when he was twenty-one. Upon his youthful mind the horrors and privations of war during his four years' service made a deep and lasting impression. When, in later years, he became President of the United States, his unbounded sympathy for the men who, like him, had fought beneath the flag was manifested in many ways. He was proud of the bronze button of the Grand Army of the Republic and of the red, white, and blue rosette of the Loyal Legion. The war over, he began the practice of law, and entered, also, the field of politics. He was elected prosecuting attorney of Stark County; participated actively as a speaker in the Grant-Greeley Presidential campaign; and was prominent in the canvass which resulted in the election of Rutherford B. Hayes to be Governor of Ohio.

When Mr. McKinley entered Congress, therefore, he had a record of faithful, if not brilliant, military service, and he had already achieved some success in politics. A man of mediocre ability and of less persistent purpose would have regarded a seat in Congress as the climax of ambition. Mr. McKinley, however, had only placed one foot upon the first round of the ladder. Circumstances favored him; or, rather, he possessed the genius to discover in these circumstances the opportunity they afforded for his advancement. The country was in a transition stage regarding the tariff. In the House, William L. Morrison was planning a horizontal reduction, John G. Carlisle was posing as an apostle of reform, and Frank Hurd, more radical than either, was urging his democratic colleagues to raise the standard of absolute free trade. McKinley, fresh from a district where nearly all the voters were working-men, and where the air was heavy with the smoke of manufactories, discerned the necessity for vigorous opposition. He stepped into the breach. Upon his banner four words were inscribed: "Protection to American Industries." His first act in Congress was the presentation of a petition from the working-men of his district against any change

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in the tariff. His first speech advocated protection. He delivered it at a night session, when few of his colleagues were present, and when the galleries were sparsely filled with indifferent auditors — a marked contrast to the brilliant scene presented a few years later, when, amid a throng that tested the capacity of the hall of the House of Representatives, he closed the debate upon the tariff bill which bore his name.

From the day when he assumed the championship of the protective policy until his election to the Presidency afforded him an opportunity to display the broad and statesmanlike character of his mind, Mr. McKinley was unquestionably a man of one idea. He realized early in his political career that a student must also be a specialist if he desires to win distinction. Consequently, he devoted himself to the tariff question. Naturally a lover of books, he eschewed all reading which did not supplement his store of special knowledge. When, in the course of time, he reached the position of Chairman of the Ways and Means Committee, he was thoroughly equipped. He had already developed a remarkable ability for assembling and assimilating details, and his colleagues had discovered that he was not to be overthrown or even disconcerted by specious questions in debate. His penetrating intellect, rendered more keen by years of study, speedily grasped the innumerable intricacies of the tariff schedules, and his well-balanced mind arranged in logical sequence the mass of information thus acquired. The work was tedious and exhausting, but it did not, apparently, affect the placidity of his mind. Debate did not irritate him; the importunate appeals of his colleagues for especial favors did not disturb him. His patience was exemplified in a thousand ways; the grace of manner which made him beloved as President was always manifest. The story of the manufacturer of chemicals, who appealed for a hearing when every other member of the Committee had refused him consideration, and who was listened to, with all his formidable array of technical data, for three hours, is cited as one example of Mr. McKinley's marvellous patience.

If I recall with some detail the preparation of the McKinley Tariff Bill, it is because I desire to picture its author as he appeared upon the day when that measure was passed by the House. The scene of which he was the central figure was one not easily to be forgotten. The occasion, thoroughly advertised, attracted to the Capitol an immense throng. The galleries were crowded, and the anticipation of the vote had compelled the attendance of every member. As usual, Mr. McKinley spoke without notes. "His voice, penetrating but not harsh" — to quote from the impressions which I recorded at the time — "filled the chamber, and

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was modulated with all the art of the accomplished elocutionist. His gestures were those of a man who might have been educated for the stage — graceful and appropriate. His well-rounded figure, not above the medium height, was enveloped in a black suit, with a close-fitting Prince Albert coat — the kind which he always wore, and which, in the sedateness of its cut, was thoroughly in keeping with the serious and earnest manner of the speaker. His face, paler than usual, was, nevertheless, illumined by the inspiration of the occasion, and when turned upward to the galleries revealed lines which forcibly recalled the countenance of Napoleon. His forehead was broad and high, and his eyes were dark and deep-set, like the touchhole of a cannon, as Balzac would have said. The gravity of his bearing, the sincerity with which he spoke, and the sympathetic and musical quality of his voice impressed the eye, the mind, and the ear. There were no meretricious, glittering phrases, no sentences uttered for empty, rhetorical effect. Every sentence was as solid as the granite of the eternal hills." Never was an orator more wholly free from clap-trap than Mr. McKinley. He was not even a debater in the ordinary sense of the term — not a rough-and-ready, heavy-wrestling, partisan fighter like Reed. His wit did not amble easily, nor was it tipped with steel. He launched forth no shafts of sarcasm to irritate and confuse the enemy on the floor and amuse the crowds in the galleries. He was willing to be victor in debate without inflicting a wound. He was as gentle in his nature as a woman.

Swept out of public life by the storm of protest against the high prices which followed the enactment of the new law, Mr. McKinley proved himself magnificent in defeat. When the result of the election in his district, which had hung in the balance for several days, was finally known to be adverse to him, he sat down and wrote that remarkable statement, beginning: "Protection was never stronger than it is to-day." His sublime faith in the ultimate triumph of the principles embodied in his bill was never shaken. "Keep up your courage," he wrote to those who doubted. "Home and country will triumph in the end. Their enemies, either here or abroad, will never be placed in permanent control of the government of Washington, Lincoln, and Grant." Out of his defeat for reëlection to Congress he emerged as Governor of Ohio. His people believed in him, and he believed in the people. Even at that time the shadow of the White House was falling upon him.

The dramatic incidents of the national conventions of 1888 and 1892, when Mr. McKinley refused to be tempted by the golden apple of

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a Presidential nomination at the sacrifice of his loyalty, illustrate most forcibly another phase of his character. It was at Chicago that the first ripple of the McKinley wave became visible. I shall never forget the stillness which fell upon that convention as Mr. McKinley, pale and calm, mounted a chair, and, in a voice low but distinct, made a brief speech. His utterances were so characteristic of his high sense of personal honor that I reproduce them:

"I am here as the chosen representative of my State. I cannot, with honorable fidelity to John Sherman, who has entrusted me with his cause and with his confidence; I cannot, with my own views of my personal integrity, consent, or seem to consent, to permit my name to be used as a candidate before this convention."

Once again, four years later, temptation came to McKinley, when, at Minneapolis, the anti-Harrison schemers turned to him as their candidate. I still remember how, when Senator Foraker had cast the votes of the Ohio delegation for McKinley, the latter, with his pale face paler than usual, challenged the vote. I still can see the flush which rose to his countenance when Senator Foraker replied that his alternate had taken his place in the delegation, and I remember the firm, although anxious, voice in which he demanded that the roll be called. Of all the delegates from Ohio he alone responded with the name of Benjamin Harrison. Alone he stood, and yet alone he was all-powerful; for his refusal to become a party to the plans of the opponents of Harrison broke the backbone of that movement. The wisdom of his attitude at that time, as well as at Chicago in 1888, was amply demonstrated when, at St. Louis in 1896, he was nominated for the Presidency. When he finally won the proud position of Presidential nominee his hands were clean. His campaign was conducted on a high plane. He spoke ill of none, nor could any one truthfully say aught of him.

His home life was beautiful; his devotion to his invalid wife being as constant as it was sincere. When, after his election as President, he came to Washington to be inaugurated, the comfort of his wife during the journey was of far more consequence to him than the plaudits of the people who cheered him at every railroad station. It was at the end of this trip to Washington that a characteristic incident occurred. As the President walked down the depot platform to the exit, he glanced up and saw the grimy engineer leaning out of the cab and bowing. Instantly the President, with a smile, detached a flower from the buttonhole of his coat and handed it to the engineer. It was a simple act, performed without ostentation, but it was indicative of that never-failing thoughtfulness and courtesy which marked every action of the Presi-

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dent. I saw similar instances many scores of times. Especially I remember the efforts of a young photographer to secure a picture of the President in the railroad depot at Omaha. The light was poor, and the moving crowd interrupted the photographer's amateurish efforts. At last the young man appealed to Mr. McKinley to leave the private car and stand upon the platform. Thereupon the President of the United States, the commander-in-chief of the army and navy, suffered himself to be led by the boy to the desired spot. He posed patiently while the camera was focused, and then apparently felt fully repaid by the warm expression of gratitude to which the photographer gave sincere utterance.

This same obliging spirit, when manifested in a larger field, was an important factor in the peace and prosperity of the country, because it preserved amicable relations between the Executive and the Congress. President McKinley, living, was honored and respected — I might almost say loved — by men who were his political opponents in the Senate and the House of Representatives, even as now, when dead, he is mourned by them with grief unmistakable. The President was, of course, a Republican, first of all; but he never allowed his partisanship to blind him to the fact that he was the President of the entire country. When circumstances placed at his disposal an unusually large number of appointments in the army and navy, he arranged that a fair proportion should be allotted to Democratic Senators and Representatives. Many times, when I went to the White House, I saw in the President's anteroom as many Democrats as Republicans.

When he could do so, the President granted a legitimate request; and if refusal could not be avoided, he dulled the sting of disappointment with an expression of hope that he would be able, upon the next occasion, to fulfil the applicant's desires. It was no wonder, therefore, that President McKinley exercised over Congress an influence which enabled him to outline his policies with the certainty of legislative support. I know of no President in recent years whose relations with Congress were so intimate and cordial; and when, at the beginning or the closing of a session, Mr. McKinley conveyed to Congress, through the committee which waited upon him, his welcome or his benediction, his kindly words were never accepted by the legislators as merely perfunctory utterances.

President McKinley's heart was big with love and kindliness. Out of the fulness of his soul he advocated appropriations from the National Treasury for the care of the graves of Confederate soldiers. I happened to be by his side when, in Atlanta, he delivered the speech making this

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suggestion; and at its conclusion I listened with the deepest interest while he told me how he had been impressed, during a visit to Fredericksburg, Virginia, with the burden which the care of Confederate cemeteries entailed upon a devoted few, while the nation maintained the last resting-places of the Union soldiers. He believed that the war was long enough past to make it possible to begin to wipe out the distinctions between the dead. By the side of this incident I place in my memory an interview which I had with the President in the White House shortly after the close of the war with Spain. A friend of mine, the editor of a London newspaper, desired to pay his respects to Mr. McKinley, and an audience was quickly arranged. When we were in the President's presence, the conversation speedily drifted to the war and its momentous results. To Mr. McKinley, however, the victories on land and sea and the acquisition of territory were as nothing compared with the fact that under God, to quote his reverential words, the barriers of sectionalism had finally and completely disappeared during his administration. As he talked he became eloquent. His eulogy of our great and united nation, delivered to an audience of two persons, was wonderfully impressive and soul-stirring.

Again, when I sat with him in his home a few weeks ago and we discussed the memorable trip to the Pacific coast, he reiterated the same thought, and expressed his pleasure at the warm and cordial welcome which the South had accorded him. His heart was literally big enough to take in the entire nation; and yet it was not too big to beat in sympathy with the individual. I remember, for instance, that on the day when we started upon our journey to California, the President personally visited every car in the train in order to assure himself of the comfort of his fellow-travellers. "We must all be patient and forbearing with each other," said he, "for we have a long and tedious journey before us." It was simply the spontaneous expression of a thoughtful and kindly heart.

It was President McKinley's fortune to control the destinies of the country during four momentous years. How well he performed that tremendous task, how bravely and how calmly he met all the enormous responsibilities, and how greatly he endeared himself to the people are now matters of history. When the full narrative of his administration comes to be written, with all its secret workings revealed, the memory of the President will be even more radiant than now. His fame will not lose lustre as the years pass.

HENRY LITCHFIELD WEST.

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OUR NATIONAL DEBT; ITS ORIGIN, HISTORY, AND PECULIARITIES.

THE United States inherited at her birth a national debt. This debt, contracted by the colonies in carrying on their war with England, was regarded by Hamilton and his followers in the Constitutional Convention of 1787 as "the price of liberty." In their opinion the assumption of this debt by the new Government was a solemn obligation which ought to be recognized in the instrument which created the Government. Through the wisdom of these men, who thought that the establishment of public credit was of greater importance to the young nation than the winning of battles, the Constitution of the United States provided, in clause I of article VI, that "all debts contracted and engagements entered into, before the adoption of this Constitution, shall be as valid against the United States under this Constitution, as under the Confederation."

The Constitution became operative and the United States took her place among the nations of the world upon the inauguration of Washington at New York, on April 30, 1789. The Treasury Department was created by act of Congress, approved September 2, 1789; and on the 11th of that month Alexander Hamilton, the man whom universal public opinion selected for that office, was named by President Washington as the first Secretary of the Treasury. Throughout the war, and during the dark years following its close, Hamilton had shown himself a thorough master of the subjects of taxation, currency, and finance, and had already won the confidence of his contemporaries not only at home, but in the countries of Europe that held our securities. In addition to the transcendent abilities which he possessed, Hamilton, more than any other man of his age, was imbued with a deep consciousness of the destiny of the young Republic. With a prophetic vision as clear as his perception of the immediate dire necessities of the new state, he saw the future greatness, wealth, and power of the nation which had arisen from the ruins of the old Confederation. This made it possible for him to enter with hope of ultimate success upon the gigantic task that confronted

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him when he assumed his office at the head of the financial department of a nation with an overwhelming debt, an empty treasury, and no revenue. This task was nothing less than bringing order out of financial chaos.

The Confederation had come to an inglorious end, strangled by a debt which it had no power under its Articles of Union to provide for, and submerged beneath a flood of repudiated paper currency. Washington, Hamilton, and the other leaders of the new Government realized that it could not long survive the ill-concealed enmity of its foes at home and the open opposition of its enemies abroad unless at the outset it showed a disposition and the ability to fulfil its financial obligations promptly and faithfully. The provision of the Constitution relating to the debts of the Confederation must be fully complied with. These debts must be assumed and refunded; and revenues must be provided for defraying the ordinary expenses of the Government, paying the interest on the debt, and establishing a sinking fund for its eventual extinction.

To the accomplishment of these ends Hamilton bent all the energies of his genius. On January 14, 1790, he submitted to the House of Representatives his first Report on the Public Credit. This report — whether we consider the abstract political philosophy contained in it, or the great and far-reaching results that flowed from it — must be regarded as the ablest state paper prepared by an American statesman. Together with the Constitution it ought to be studied in every school and college in the land.

In it Hamilton outlines a detailed plan for assuming, refunding, and paying the debts of the Confederation and the colonies, together with a scheme for raising adequate public revenues. He divides the debts to be assumed into three classes: (1) the interest-bearing securities issued by the Continental Congress and held abroad, amounting with interest to about $12,000,000, called the Foreign Debt; (2) similar securities held at home, amounting with interest to about $42,000,000, called the Domestic Debt; and (3) similar securities issued by the individual colonies for defraying expenses growing out of the War of Independence, estimated with interest at $25,000,000, called the State Debts.

In respect to the foreign debt there was no diversity of opinion. It was agreed by all that it should be paid in full with all arrears of interest. It was thought by many, however, that in the case of the domestic debt there should be a discrimination between the original holders of the securities and those who had purchased them below their face value; many of these securities having been bought up by speculators at a low

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figure. Hamilton's position was that such a discrimination would be a breach of faith on the part of the Government and a violation of the clause of the Constitution relating to the payment of the debt of the Confederation. To the payment by the National Government of any portion of the State debts the opposition was much stronger than to the payment in full of the domestic debt. The objections to the assumption of the State debts were founded largely on a jealous fear of increasing the powers of the Federal Government. It was argued that the revenues for paying the State debts ought to be raised by the States individually. Hamilton realized, however, that, although the assumption of the State debts might tend, by increasing our national indebtedness, to impair our credit abroad, it was, nevertheless, of the utmost importance to satisfy domestic creditors, to enlist their friendship and coöperation in support of the new Government, and to cement more closely together the States of the Union. It was, therefore, his earnest desire that his financial plan should be adopted as a whole, and his efforts to this end were unremitting.

As we review after the lapse of over a century the debates on the measures introduced into Congress to carry into effect the recommendations of Hamilton, and contemplate the wonderfully beneficent results that have flowed from their adoption, it is almost impossible to understand the bitter opposition which they encountered in both Houses of Congress. Although there was a unanimous sentiment in favor of the assumption in full of the foreign debt, the opponents of the assumption of the domestic and State debts were able to prevent the adoption of this portion of the scheme. We wonder to-day how they could have been deaf to the logic and eloquence of Hamilton's arguments, which were summed up in his report in these impressive words:

"While the observance of that good faith, which is the basis of public credit, is recommended by the strongest inducements of political expediency, it is enforced by considerations of still greater authority. There are arguments for it which rest on the immutable principles of moral obligation. And in proportion as the mind is disposed to contemplate, in the order of Providence, an intimate connection between public virtue and public happiness, will be its repugnancy to a violation of those principles. This reflection derives additional strength from the nature of the debt of the United States. It was the price of liberty. The faith of America has been repeatedly pledged for it, and with solemnities that give peculiar force to the obligation."

There were, however, in this country at the end of the eighteenth century, as well as at the end of the nineteenth, those who could perceive nothing immoral in a breach of national faith, nothing dishonor-

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able in a repudiation of national obligations. And there were in the first Congress enough members holding these perverted views to delay the passage of the financial legislation recommended by the Secretary of the Treasury, so that it was not until August, 1790, that his measures were finally passed, and then only as the result of a compromise.

The history of this compromise forms an interesting chapter in the annals of our Government. The subject that seemed to the members of the first Congress next in interest and importance to a provision for the national debt was the selection of a location for the seat of Government in accordance with the provisions of the Constitution. Most of the important cities were rivals for the honor of becoming the capital of the nation. The representatives from the Southern States agreed among themselves to favor a location on the Potomac. It was thought that it would take ten years to build the necessary permanent buildings for the use of the Government. The people of Philadelphia were anxious that, in case their city should not be selected as the permanent capital, the Government should be located there for ten years.

Now it so happened that the assumption of the domestic and State debts was mainly advocated by the Northern States, and opposed by the Southern. The financial measures and the bills for locating the capital were under discussion at the same time. The idea therefore suggested itself quite naturally to Hamilton that if he could secure from those members who favored a Southern location for the capital enough additional votes to adopt his financial plan, he might induce a sufficient number of his Northern friends to vote to establish the seat of government on the Potomac. Jefferson had recently returned from Paris, where he had been acting as representative of the Confederation, and had taken his seat in Washington's cabinet as Secretary of State. His distrust and jealousy of Hamilton had not then developed, and he was in substantial accord with his financial views. Although as yet no organized political parties had been formed, Hamilton knew that Jefferson aspired to be the leader of the Southern anti-federalists, and that he would be glad of an opportunity to increase his influence and popularity with the Southern members. To Jefferson, therefore, Hamilton expressed his desire to secure a compromise and an amicable adjustment of the pending controversies.

Jefferson was equal to the emergency. He had returned full of French ideas, and was quite ready to try on his own countrymen the continental method of dealing with political differences. With his assistance the principal advocates of a Southern location for the capital and

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the leading friends of Hamilton's measures were brought together. There was a little dinner, with great harmony and a mutual understanding. And so, as a result of this intelligent and judicious log-rolling, differences that seemed incapable of settlement and threatened to disrupt the Union at its outset were harmoniously adjusted, and measures of the most far-reaching importance that had seemed doomed to certain failure received the approval of both Houses of Congress. Hamilton's brilliant financial scheme was enacted into law; Philadelphia became the capital for ten years; and the permanent seat of Government was established on the Potomac. The refunding now proceeded rapidly. The State debts, as finally adjusted, amounted to a sum slightly exceeding $18,000,000. In addition to the loans for purposes of refunding, the Government was compelled to borrow money to pay its ordinary current expenses. On January 1, 1791, the national debt amounted to $75,463,476.52.

Before following the subsequent history of the national debt, it is worth while to consider the results that had flowed from the issuing of paper money by the colonies and the Continental Congress. It is impossible, without a clear conception of the losses and ruin which the people of America had suffered through the depreciation of the continental currency, to understand the horror and aversion with which the framers of the Constitution regarded all forms of unsecured paper money.

During the colonial period there was not sufficient specie in the country to meet the demands of business, although foreign coins circulated freely at a fixed valuation or by weight. As late as 1857 Congress fixed the rate at which certain foreign coins should be received for public dues. Owing to this lack of specie the colonies were led, from time to time, to issue bills of credit or certificates of indebtedness. These were originally secured by lands or taxes; but when the dangerous practice of printing money had become familiar and attractive, they were issued with no other security than the credit of the colony. The first colonial paper currency was probably issued by Massachusetts in 1690, to pay the soldiers who had taken part in an unsuccessful expedition against Canada. Before the outbreak of the Revolution all the colonies had fallen into the pernicious habit of issuing unsecured paper currency. We can gain some idea of the difficulties that beset the patriots of 1776, and the temptations which led them into unsound financial practices, when we consider that the total cash in circulation in the country in 1775 was estimated at $12,000,000, of which not more than $10,000,000 was in specie. This was less than $4 per capita,

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while the present per capita circulation is over $25, nearly $13 of which is in gold and over $8 in silver.

The Continental Congress, having no power of taxation and no means of raising revenues, was forced by the hard necessities of the war to follow the example of the colonies and issue unsecured bills of credit. The first emission of $3,000,000 was made in the summer of 1775. By July 4, 1776, over $15,000,000 had been issued. For about a year this currency circulated at par; but, as the issues increased, it rapidly depreciated. The more it depreciated the more reckless Congress became, until finally Congress and the individual colonies seemed to vie with each other in swelling the volume of this rapidly depreciating paper currency. By 1780 this money had sunk to the ratio of 75 to 1 compared with specie, and thereafter ceased to circulate in the Northern States. It survived a year or so longer in Virginia and the Carolinas, the last services performed by it being rendered at the ratio of 1,000 to 1. The last of these continental bills were lost or destroyed, and the phrase "not worth a continental" had passed into history. It is estimated that the total amount of paper money issued by the Continental Congress was $241,000,000, and that the colonies issued individually $209,000,000, Virginia alone issuing over $128,000,000. To add to the embarrassment of the situation and complete the financial chaos that prevailed in the colonies, England flooded the country with counterfeits of the continental currency, for the purpose of further injuring the credit of the revolutionists.

The total issue of paper currency, amounting to some $450,000,000, was at the ratio of over $100 per capita. The rapid depreciation and final obliteration of so great a volume of money upset all values, destroyed the industries of the country, and brought disaster and ruin to many prosperous families. One instance of the effect of this depreciation is especially interesting, owing to the distinguished person who suffered by it. The careful student of Jefferson's writings must be struck by the vigorous and decided views respecting the national currency which he held after the close of the war. He would have no money but metallic money, which must circulate at its commercial value. His recollections of his own experience with paper money were vivid and painful. In 1776, being heavily in debt, he sold lands of great value, taking the purchaser's bond. He was finally paid in the depreciated currency, which turned to waste paper in his hands. On January 5, 1787, in writing from Paris to William Jones, one of his creditors, he thus refers to the transactions:

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"In the year 1776, before a shilling of paper money was issued, I sold lands to the amount of £4,200. . . . Great sums of paper money were afterward issued. This depreciated, and payment was made me in this money when it was but a shadow."

In his desire to explain and excuse his failure to pay his indebtedness, Jefferson, when he states that not a shilling of paper money had been issued in 1776, falls into one of his characteristic inaccuracies, which in this instance is entirely inexcusable. He was a leading member of the Continental Congress which began issuing paper money in 1775, and, as we have seen, had issued over $15,000,000 of this currency before July 4, 1776, while prior to this time his own colony of Virginia had issued over $1,000,000 in paper.

This episode must have still rankled in Jefferson's mind when, in 1798, he gave utterance to this extraordinary and impracticable sentiment in a letter to John Taylor:

"I wish it were possible to obtain a single amendment to our Constitution. I would be willing to depend on that alone for the reduction of the administration of our Government to the genuine principles of its Constitution; I mean an additional article, taking from the Federal Government the power of borrowing. I now deny their power of making paper money or anything else a legal tender."

It is difficult to see why the continental currency did not constitute as valid a debt of the Confederation as the greenbacks and fractional currency issued during the Civil War are a valid debt against the United States. But the assumption in 1790 of the $450,000,000 of indebtedness represented by this paper currency would have swamped the new Government at the outset. No serious suggestion was ever made in the Constitutional Convention, or in the Congress of the United States, that any part of this currency should be redeemed. It had long since become worthless; and the people, whether they complained of their losses as the result of robbery, or accepted them cheerfully as a species of taxation, were resigned to the situation and expected no relief. They were determined, however, that their experiences with a worthless currency should not be repeated. The Constitution, although it authorizes Congress to borrow money on the credit of the United States, provides that no State shall emit bills of credit, or make anything but gold and silver coin a tender in payment of debts. In the opinion of many of our ablest statesmen, including Hamilton, Jefferson, and Madison, the emission by Congress of any kind of unsecured, irredeemable paper currency is contrary to the spirit of the Constitution.

Nothing could portray more strikingly the small beginnings of our National Government than the story of its first loan, entered on the books of the Treasury as "The Temporary Loan of 1789." No one con-

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nected with the new Government had expressed a willingness to serve his country without compensation except Washington. In his first inaugural the President had announced his determination to give his services without emolument. When Hamilton entered upon his duties as Secretary of the Treasury, in September, 1789, the officers of the Government, senators, and representatives had received no compensation for their services and no reimbursement of their expenditures. There was no money in the Treasury and no revenue coming in. In this emergency, Hamilton, with his customary resourcefulness, negotiated on his own authority a loan of $191,608.81, through the Bank of New York in the city of New York, and the Bank of North America in Philadelphia. At this time there was but one other bank in existence in the United States, the Massachusetts Bank, in Boston. Out of this fund were paid the running expenses of the Government including the salaries and expenses of the senators, representatives, and public officials. This first loan of the United States is the only loan ever effected by the Government without the express authority of an act of Congress. It is probable that Hamilton's political enemies in the first Congress excused his temporary disregard of technical restraints, and, with a grateful sense of personal obligation, acknowledged his abilities as a practical financier, even while condemning his views as a constructive statesman.

As we have seen, the national debt on January 1, 1791, was about $75,500,000. In forty-four years it had been paid in full. It remained nearly stationary until 1806, when it began to diminish, sinking gradually to $45,000,000 on January 1, 1812. It increased again during the war with England, reaching $128,000,000 on January 1, 1816. It then steadily decreased until, on January 1, 1835, it had been practically extinguished. At that date the outstanding indebtedness matured but unclaimed amounted to about $300,000, and the balance in the Treasury in excess of this sum was about $9,000,000. On January 1, 1836, the surplus was nearly $27,000,000, and it was then evident from the rapidly increasing revenues derived from the tariff and the sale of public lands that the balance on January 1, 1837, would be much larger. The question therefore arose, what should be done with the surplus.

The account of the disposition of this surplus in 1836–37 forms the most curious chapter in the history of our financial legislation. In those days it was considered unconstitutional to appropriate the national revenues for internal improvements. Such a River and Harbor Bill, for example, as to-day forms a convenient and seductive medium for reducing the surplus, even if it could have been passed by Congress, would

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have been vetoed by President Jackson. Two propositions for disposing of the surplus were discussed in Congress. The first was to distribute the money to the States according to their representation in Congress, including one share each to the Territories and the District of Columbia. This, however, was thought to be unconstitutional. The second proposition was to deposit the surplus with the treasurers of the different States, to be repaid to the National Government on demand. This latter proposition became a law as sections 13 and 14 of the act approved June 23, 1836, entitled "An act to regulate the deposits of the public money." These sections provided that the balance in the Treasury on January 1, 1837, after reserving $5,000,000, should be deposited pro rata, according to their representation in Congress, with those States, which should by law authorize their treasurers to receive the deposits and give a receipt therefor pledging the faith of the State to repay the same at any time upon the demand of the Secretary of the Treasury. These deposits were to be paid in four instalments, on the first day of January, April, July, and October, 1837.

On January 1, 1837, the balance in the Treasury, over and above the $5,000,000 reserve, was $37,468,859.97. All the twenty-six States accepted the deposits under the conditions above stated, and the first three instalments were paid in full. Through the courtesy of the Treasurer of the United States, I have recently examined the original receipts given by the States, and the book in which the stubs of the original drafts are preserved. The book still contains a sufficient number of blank drafts with which to pay the fourth instalment, now sixty-four years overdue. The draft, called "State Transfer Draft," is made by the Treasurer of the United States on the cashier of one of the State banks, and orders the money to be paid to the State named "to be placed to my credit by that State, payable on demand." The receipts are on double-page printed forms. On the first page is the receipt signed by the Treasurer of the State; on the third page are instructions in reference to repayment.

This obligation on the part of twenty-six States of the Union to pay into the National Treasury over $28,000,000 has been so completely lost sight of in recent years that it may be interesting to recall the fact that each State participating in this division of the surplus is bound by its agreement to repay the amount received upon demand of the Secretary of the Treasury.

The withdrawal of the $28,000,000 from the State banks that were the depositories of the public funds helped to bring on a financial crisis.

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By May 1, 1837, eighty-two out of eighty-six of these banks had suspended specie payments. A simultaneous falling off in the public revenues occurred, and a financial panic swept over the country. It became evident even before the payment to the States of the third instalment that, on October 1, the Secretary of the Treasury would have no funds with which to make the fourth payment. A special session of the twenty-fifth Congress met on September 4. On October 2 an act was passed providing

"that the transfer of the fourth instalment of deposit directed to be made with the States under the 13th section of the act of June 23, 1836, be, and the same is, hereby postponed until the first day of January, 1839; Provided, That the first three instalments under the said act shall remain on deposit with the States until otherwise directed by Congress."

On January 1, 1839, the Secretary of the Treasury had no funds with which to pay the fourth instalment, and it is still unpaid. The following table shows the representation of the twenty-six States in Congress, the total amount to which they were entitled under the act of 1836, the amounts actually received, and the amount of the fourth instalment still unpaid:

States.	Number of electoral votes.	Total amount which was to have been deposited with the States.	Amount of three instalments deposited, subject to call by Congress.	Amount of fourth instalment still unpaid.
New York	42	$5,352,694.28	$4,014,520.71	$1,338,173.57
Pennsylvania	30	3,823,353.06	2,867,514.78	955,838.26
Virginia	23	2,931,237.34	2,198,427.99	732,809.03
Ohio	21	2,676,347.14	2,007,260.34	669,086.78
North Carolina	15	1,911,676.53	1,433,757.39	477,919.13
Kentucky	15	1,911,676.53	1,433,757.39	477,919.13
Tennessee	15	1,911,676.53	1,433,757.39	477,919.13
Massachusetts	14	1,784,231.43	1,338,173.58	446,057.86
South Carolina	11	1,401,896.12	1,051,422.09	350,474.03
Georgia	11	1,401,896.12	1,051,422.09	350,474.03
Maine	10	1,274,451.02	955,838.25	318,612.75
Maryland	10	1,274,451.02	955,838.25	318,612.75
Indiana	9	1,147,005.92	860,254.44	286,751.48
Connecticut	8	1,019,560.81	764,670.60	254,890.20
New Jersey	8	1,019,560.81	764,670.60	254,890.20
New Hampshire	7	892,115.71	669,086.79	223,028.93
Vermont	7	892,115.71	669,086.79	223,028.93
Alabama	7	892,115.71	669,086.79	223,028.93
Illinois	5	637,225.51	477,919.14	159,306.38
Louisiana	5	637,225.51	477,919.14	159,306.38
Rhode Island	4	509,780.41	382,335.30	127,445.10
Mississippi	4	509,780.41	382,335.30	127,445.10
Missouri	4	509,780.41	382,335.30	127,445.10
Delaware	3	382,335.31	286,751.49	95,583.83
Arkansas	3	382,335.31	286,751.49	95,583.83
Michigan	3	382,335.31	286,751.49	95,583.83
Total	....	$37,468,859.97	$28,101,644.91	$9,367,214.67

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It is worthy of note that in this distribution of the national revenues the Territories and the District of Columbia were ignored.

By act approved August 13, 1841, Congress repealed all of the act of June 23, 1836, except the 13th and 14th sections, which, as we have seen, provided for the distribution of the surplus with the States in four instalments, and for its repayment on demand. In 1883 the Treasurer of the State of Arkansas made a demand upon the Secretary of the Treasury for the payment to the State of the fourth instalment. The Secretary replied that he must follow in the path of his predecessors, who in recent years had considered the law obsolete. In 1884 the State of Virginia filed, in the Supreme Court of the United States, a petition for a writ of mandamus to compel the Secretary of the Treasury to pay to the Treasurer of that State $732,809.03, the amount of the fourth instalment. Justice Harlan delivered the unanimous opinion of the Court on March 17, 1884, holding that the Secretary of the Treasury had no authority, without further direction from Congress, to pay the fourth instalment out of any surplus that might have accrued since January 1, 1839. In the course of this opinion, Justice Harlan thus speaks of the situation of the States with reference to the amounts deposited with them:

"Congress has permitted the 13th and 14th sections of the act of 1836, as modified by the act of October 2, 1837, to stand for the purpose, as we infer, of showing not only the terms upon which the States received the first three instalments of deposit, but that those instalments are held by the States subject to be recalled in the discretion of the United States."

The question of the constitutionality of that part of the act of October 2, 1837, which requires an act of Congress to recall the three instalments was not before the court. It is difficult to see how that provision can be sustained. The original deposit act strained to the breaking-point that clause of the Constitution which says, "No money shall be drawn from the Treasury, but in consequence of appropriations made by law." It could be justified only on the theory that the deposits were still in the Treasury of the United States so long as they were subject to the demand order of the Treasurer of the United States. As a matter of fact, these funds have always been carried on the books of the Treasury as assets of the Government, and appear on page 47 of the last report of the Treasurer of the United States as "Unavailable Funds of the General Treasury." But under the act of October 2, 1837, which provides that these funds shall remain on deposit with the States until otherwise directed by Congress, they cannot be held to be, even technically or con-

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structively, in the Treasury. For how can funds be in the Treasury — out of which they cannot be drawn except in consequence of appropriations made by law — if a preliminary act of Congress is necessary to make them available for appropriations made by Congress? If these funds are constructively in the Treasury, then they are subject to recall by the Treasurer in the same way that funds of the Government deposited in the national banks, but constructively in the Treasury, are subject to recall by the Secretary of the Treasury. If these funds are not in the Treasury — if they are on perpetual deposit with the States — then they were taken out of the Treasury in a manner not warranted by the Constitution. This is a technical legal question; but, in my opinion, the provision above referred to in the act of October 2, 1837, cannot be sustained, and the three instalments, now on deposit with the States, are subject to recall in accordance with the provisions of sections 13 and 14 of the act of June 23, 1836. On the other hand, in view of the rapidly increasing surplus in the Treasury, it would not be surprising if some member from one of the twenty-six deposit States should bring before Congress the claim of his State for the unpaid fourth instalment.

As no limitations or restrictions were placed by Congress on the uses which should be made by the States of these deposits, it would be interesting to ascertain what disposition was made of the money received by them, and how readily they could comply with a demand for repayment. A glance at the foregoing table suggests the great changes that have taken place in the population, wealth, and relative importance of these States in two generations. In 1837, Virginia, the third State in the Union, had a population of 1,200,000, and received, as her share of the deposits, $2,198,427.78, while Michigan, with a population of about 150,000, received only $286,751.49. To-day Michigan has a population of 2,400,000, while the population of Virginia is only 1,800,000. Where the principal of the fund received by the State has been kept intact, the deposit could be repaid without serious difficulty; but where the principal has been expended, as is the case with some of the States which received the largest amounts, the repayment would cause serious embarrassment.

Two illustrations will be sufficient to show the different uses made by the States of the deposits received by them. The State of Vermont, by act of the Legislature passed in 1836, sought to provide every possible safeguard for the preservation intact of the principal of the deposit fund. Under this law the money was apportioned to the towns accord-

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ing to population, and paid to trustees, who were required to give bond, and a receipt for the money, similar to the receipt given by the State Treasurer to the Treasurer of the United States. The funds must be reapportioned after each census, and the income used for school purposes, unless the town has other funds sufficient to support all its schools for six months in each year, when it may be used for any other purposes. I have just seen the last annual report of the town of Windsor, which shows that its deposit fund amounts to nearly $5,000, yielding an income for school purposes of over $200 per annum. The State of Vermont has treated this fund as a temporary deposit, and could at any time recall the allotments to the towns in case repayment should be demanded by the United States.

Another New England State treated the money received in a totally different fashion. Maine distributed the $955,838.25 which she received among the towns according to population, and the town authorities divided the cash equally among the inhabitants. The account on the books of the State Treasurer was closed in 1838. I have recently talked with a very interesting and intelligent lady, who was living in South Berwick, Maine, her native town, in 1837. She says that she remembers perfectly the distribution of the surplus, and her surprise that a girl of eleven should receive $2.50 from the United States. She was allowed to spend the money as she pleased, and, on her first trip to Boston, purchased with it a pair of kid gloves. The buttons on the gloves were covered by the kid. When the gloves were worn out she found that the buttons were round seeds. She planted the seeds, and in due time was the happy owner of a flowering plant. If the State of Maine should be called upon by the United States to repay this deposit of $956,000, this lady would probably have difficulty in realizing on the kid gloves and flowers which were purchased with her share over sixty years ago.

Whatever opinion we may entertain on the abstract proposition that a national debt is a national blessing, we must admit that on the only occasion when we have been without a national debt the existence of a surplus and the desire for its distribution led us into legislation of doubtful constitutionality, the ultimate results of which we have not yet seen. We cannot regard with pride or satisfaction our first and only attempt to deal with a national surplus; and it is to be hoped that if we are fortunate enough to face this problem again we shall avoid the blunders of 1837. The safest way to reduce the surplus is to reduce taxation. For a reduction of taxes is not only a direct blessing to the people, but acts

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as an incentive to economy in legislation and to wise appropriations. On the other hand, high taxes, producing a steadily increasing surplus, are a constant invitation to extravagant expenditures.

We have now in the Treasury an available cash balance of over $175,000,000. This sum is $100,000,000 in excess of a conservative balance necessary to meet the requirements of the Treasury. As long as holders of Government bonds are asking 108 for the 2 per cent bonds and 113 for the 3 per cents, the surplus cannot be profitably used in purchases for the sinking fund. Our revenues are increasing steadily, and there is every prospect of still further increase in the future. A few months ago the gold in the Treasury passed the $500,000,000 mark. In August it reached the highest point in our history, $516,221,252. In view of this favorable condition of our finances, the people have the right to demand a reduction in taxation, to the extent, at least, of the entire repeal of the War Revenue Law of 1898.

The panic of 1837 and the consequent falling off in the revenues compelled the Government to issue Treasury notes at various times during the next three years, for the redemption of which a new loan was made in 1841. Since that time we have never been without a national debt. The highest point the debt reached between 1841 and 1861 was in 1851, when it rose to $68,000,000, an increase due largely to expenses growing out of the Mexican War. On July 1, 1860, the national debt was $65,000,000, an indebtedness of $2 per capita. In 1791 it had been $19 per capita. During the four years of the Civil War, the Government borrowed nearly three billions of dollars, including the United States notes. This rapid and tremendous increase in the national debt has no parallel. The debt reached its highest point by August 31, 1865, when it was $2,845,907,626.56. After deducting $88,218,055.13, the cash in the Treasury, the net indebtedness was $2,757,689,571.43, or an indebtedness of $80 per capita. If we wonder at the enormous amount of the obligations contracted by the Government during the four years of the Civil War, we are no less amazed at the rapidity with which these obligations have been cancelled. Within twenty-five years after the war we had paid off nearly two billions of the principal of the debt. The lowest point reached by the debt during the last forty years was on September 30, 1892, when the net debt, including greenbacks, was $834,622,246. This was an indebtedness of about $13 per capita.

During the years 1894–96, the Government again sold bonds to the amount of $262,000,000, to replenish the gold reserve and cover defi-

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ciencies in the revenues. In 1898, to obtain funds for the prosecution of the Spanish War, the Government sold bonds to the amount of about $199,000,000. Under the Financial Act of March 14, 1900, the Government has issued, for refunding purposes, $446,000,000 two-per-cent thirty-year bonds, payable in gold coin. These are the first bonds issued by the United States payable specifically in gold.

The present net debt, including the greenbacks, reaches a total of about $1,100,000,000, or an indebtedness of $14 per capita. The national per capita debt of the United States is less than that of any other great power. The debt of France is $150 per capita; that of Russia, $24; while the debt of Great Britain is $75 per capita. Moreover, it has always been the policy of the United States, except in times of emergency, to reduce its debt constantly, while the debts of all the great European powers are continually increasing.

It was Hamilton who called the debt contracted by the colonies in the War of Independence "the price of liberty." And we may well call the expenditures that have grown out of the Civil War the price of union. To some it may give a fuller conception of the enormous price that was paid in treasure alone to reflect that the expenditures growing out of the Civil War constitute two-thirds of the total expenditures of the United States since the adoption of the Constitution. From March 4, 1789, to July 1, 1900, the United States had expended about $16,000,000,000, including interest on the public debt. Up to July 1, 1861, the expenditures were considerably under $2,000,000,000. In 1880 the Secretary of the Treasury submitted to the United States Senate a detailed report, showing that the expenses resulting from the Civil War, down to July 1, 1879, amounted to over $6,200,000,000. At least $4,000,000,000 must be added to this figure for expenditures on account of the war during the last twenty-two years; making the total expenditures growing out of the Civil War over ten billions of dollars. It should also be borne in mind, in this connection, that these figures do not include any estimate for unpaid losses sustained by the States, municipalities, or individuals, or for the cost of the war to the Confederacy.

Our national credit was at its lowest ebb in 1860, when the Government was compelled to pay 12 per cent interest for money. At the outbreak of the Civil War, Government 6 per cent bonds were sold at a discount of 10 per cent. The interest paid under the Confederation never exceeded 7 per cent, and Hamilton's refunding loans were made at from 3 to 6 per cent. In 1791 our securities were above par in

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Amsterdam, and the credit of the United States was better than that of any European nation. During the Civil War, in spite of the enormous debt contracted, our credit steadily improved, and it was better in 1864 than in 1860. The highest rate of interest now paid by the Government on outstanding bonds is 5 per cent, on the $22,000,000 bonds due in 1904. If the rate of interest at which a nation can borrow indicates the character of its credit, then the United States, with its two-per-cent bonds selling at 108, has now the highest credit of any nation in the world.

One of the most curious facts in connection with the national debt is that it is impossible to tell, within many millions of dollars, the liabilities of the United States. The books of the Treasury show of course our exact liabilities, should all the obligations of the Government be presented. But no one can tell how many bonds and notes have been lost or destroyed, or are held as curiosities and souvenirs. For example, the Government issued during the Civil War considerable fractional paper currency; the largest sum outstanding at one time being $45,000,000. Of this sum $30,000,000 has since been redeemed and withdrawn. In 1879 as much as $8,000,000 of the outstanding $15,000,000 was estimated to have been lost or destroyed, and that sum was deducted from the national indebtedness on the books of the Treasury; leaving $7,000,000 now carried as outstanding. During recent years very little of this currency has been presented for redemption. The amount offered last year was only $2,400. The greater part of this fractional currency, now carried as part of the debt, will eventually be deducted therefrom. Many millions of outstanding legal-tender notes, or greenbacks, will never be presented for redemption, and the same is true in a lesser degree of the more recent Treasury notes and bonds. The books of the Treasury carry an item called "Old Debt," amounting to about $1,000,000. It consists of matured indebtedness, most of which was redeemable before 1861. Probably very little of this sum will ever be presented for payment. The books of the Treasury carry many other items of indebtedness which will never be claimed.

The only asset of the Government contained in the Treasury statements of the public debt is the cash on hand. No account is taken of the lands, buildings, ships, arms, and other property of the United States, the value of which has never been fully estimated, but which amounts to an immense sum. The public buildings alone represent a valuation exceeding $200,000,000.

Hamilton's plan for assuming and refunding the debt of the colonies

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contemplated the creation of a sinking fund for the payment of the principal of the national indebtedness. The act of 1790 provided that all revenues derived from duties on imports, and from the sale of public lands, over and above the amount annually appropriated by Congress for the current expenses of the Government, should be applied to the sinking fund. Hamilton laid down the principle that has ever since controlled our financial legislation, that the creation of a debt should always be accompanied by provisions for its extinction.

The Sinking Fund Act of 1862, which is still in force with subsequent modifications and amendments, provides that a certain sum shall be annually set aside for the purchase of the outstanding principal of the public debt. This sum amounts to one per cent of the principal of the unpaid debt, plus the annual interest on the bonds already purchased on behalf of the sinking fund. The present annual requirements of the sinking fund are about $54,000,000. This fund, however, is satisfied only when the revenues of the country exhibit a sufficient surplus, and outstanding bonds can be bought at such a figure as to make the purchase advantageous to the Government. At the present time the Sinking Fund is about $345,000,000 short of the amount which would have been realized by its operations had its requirements been fully carried out. If the provisions of the Sinking Fund should be complied with fully in the future, the interest-bearing debt in 1908 will not exceed $600,000,000, and will probably consist of about $100,000,000 of the four-per-cent bonds of 1925, and $500,000,000 of the two-per-cent bonds of 1930. We can thus look to the probable extinction of our debt by 1920.

As the present national banking system is, to a large extent, based on the national debt, the rapid reduction and final payment of this debt will necessitate radical changes in our banking law. On June 30, 1900, there were 3,816 national banks in operation, with a circulation, based on the deposit of Government bonds, amounting to $274,115,552. On August 28 last there were 4,232 banks, with a circulation secured by bonds of $328,068,190. Over $106,000,000 in bonds are also used by the banks that qualify as the depositaries of public funds. Inasmuch as the circulation of the banks is rapidly increasing, while the amount of Government bonds outstanding is constantly diminishing as our debt is becoming extinguished, the time is not far distant when there will not be enough bonds to meet the necessities of the banks. Those who maintain that public debts are public burdens must at least admit that we have made the best possible use of our burden.

The present favorable condition of our national finances, our unim-

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paired credit, our fruitful revenues, and our wonderful national resources are largely the result of a faithful adherence to the principles of the financial policy laid down by the first Secretary of the Treasury, whose views on the national debt are summed up in these words in his great Report on the Public Credit:

"Persuaded, as the Secretary is, that the proper funding of the present debt will render it a national blessing, yet he is so far from acceding to the position, in the latitude in which it is sometimes laid down, that 'public debts are public benefits' — a position inviting to prodigality and liable to dangerous abuse — that he ardently wishes to see it incorporated as a fundamental maxim in the system of public credit of the United States, that the creation of debt should always be accompanied with the means of extinguishment. This he regards as the true secret for rendering public credit immortal. And he presumes that it is difficult to conceive a situation in which there may not be an adherence to the maxim. At least, he feels an unfeigned solicitude that this may be attempted by the United States, and that they may commence *their measures for the establishment of credit with the observance of it.*"

As we trace the course of our national debt from its origin in the struggle of the colonies for independence through more than a century of national development, and note its rapid augmentation whenever the imperious necessities of war have called for sudden and unusual expenditures, we contemplate with pride the faithful discharge of our national obligations in the past, while we are impressed with the belief that in the future the firmest bulwark of our nation's safety must always be the strength of our national credit.

HENRY SHERMAN BOUTELL.

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LABOR AND THE LAW IN ENGLAND.

THE recent discussion by the British Trade Union Congress of the action of the House of Lords in reversing the decision of the Court of Appeal in the Taff Vale Railway case is of extreme interest and importance to English workmen. It is no less interesting to students of labor legislation in this country, as the trend of legislation in the United States has closely followed that of Great Britain. It is of further interest because of the belief of many earnest men that the greater the recognition accorded to the trade unions the less will be the liability of strikes and the easier it will be to reconcile the differences between labor and capital. To those persons who believe in compulsory arbitration and point to New Zealand as a model to pattern after, the unassailable legal position of trade unions becomes of the first importance, as the whole system of compulsory arbitration is based upon the recognition of associations of workmen.

Last year I was commissioned by the United States Department of Labor to inquire into the effect of certain labor legislation in England, the investigation including among other things the Conspiracy and Protection of Property Act. My observations on the working of that act were embodied in a report made to the Department and printed in the "Bulletin of the Department of Labor," No. 33, March, 1901. In the government report it was proper to present facts only, not opinions. The present article is based largely on the investigation made for the report and the deductions which legitimately follow.

To understand the privileges and limitations of labor in England at the present day it is necessary to review briefly the history of labor legislation, and to note how labor, once outside the pale of the law, has been given a recognized status, and is now vested with inalienable rights which must be as rigidly respected as those enjoyed by capital. Practically, the workman had no standing in the eyes of the law before 1824. In that year an attempt was made to improve his legal condition, but the actual results were a failure, and it was not until the passage of the Trade Union Act of 1871, its amendatory act of 1876, and the Conspir-

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acy and Protection of Property Act of 1875, that the equality of labor was recognized by the Legislature. Curious as it sounds, it is yet a fact that during the last thirty years only has the Parliament of Great Britain admitted that labor was entitled to the same protection as capital and clothed it with a defined status.

Previous to 1824 strikes were practically unknown, for a very simple reason. It was impossible for men to combine to get their grievances redressed. They could not as a body and acting in concert leave their work as a protest against a reduction of pay or hours, because combinations were illegal, and those engaging in them were in danger of the most severe penalties. The great labor disputes which took place previous to 1824 were rather industrial revolts than organized movements to ameliorate intolerable conditions. These outbreaks invariably resulted in attacks on persons and in the destruction of property, and the men who raised the standard of revolt were sent to prison. More than one perished on the scaffold.

In the year 1799, during the reign of George III, an act was passed directed against labor. Some of its penalties are worth quoting as showing the spirit of the age and the brutality of Parliament in dealing with that portion of the population which was compelled to work for others. The preamble declares:

"Whereas great numbers of journeymen, manufacturers, and workmen in various parts of this Kingdom have by unlawful meetings and combinations endeavored to obtain advance of their wages and to effectuate other illegal purposes; and the laws at present in force against such unlawful conduct have been found to be inadequate to the suppression thereof, whereby it is become necessary that more effectual provision should be made against such unlawful combinations, and for preventing such unlawful practices in the future and for bringing such offenders to more speedy and exemplary justice."

This act declared null and void all agreements between workmen for obtaining an advance of wages or for lessening or altering their hours of labor. Upon conviction before a magistrate, workmen entering into any such agreement were to be committed to jail for three months or to the house of correction for two months with hard labor. This punishment was to be awarded to any journeymen or workmen who entered into any combination to

"obtain an advance of wages, lessen or alter the hours of work, decrease the quantity of work, or who by giving money or by persuasion, solicitation, or intimidation endeavor to prevent any unhired or unemployed journeyman or other person wanting employment from hiring himself to any manufacturer or tradesman; or who should, for any purpose contrary to the provisions of the act, directly or indirectly, decoy, persuade, solicit, intimidate, influence, or prevail, or attempt to prevail, on any jour-

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neyman hired or to be hired to quit or leave his work, service, or employment, or who should hinder or prevent, or attempt to hinder or prevent, any employer from hiring such workmen as he might think proper, or who (being hired or employed) should refuse to work with any other journeymen employed therein."

Like penalties were enacted for those who attended meetings held for making agreements rendered unlawful by the act, or by any means induced other persons to attend such a meeting, or paid money in support of such a meeting, or collected money from other persons. Nor might anyone contribute to the support of persons who had quitted work. Any sums so collected were forfeit, one-half to the King and one-half to the informer.

In 1824 is to be noticed the first amelioration of the condition of labor. Parliament in that year passed an act repealing the combination laws, and striking off the statute books acts as ancient as the reign of Edward I. This legislation, however, did not produce the desired results; and in the following year an act was passed containing the important provision that it should not be unlawful for persons to meet "for the purpose of consulting upon and determining the rates of wages or prices which the persons present at such meeting should demand for their work." Compare this with the statute of George III, and it will be seen what a long stride had been made toward progress and freedom. Still, great dissatisfaction existed. The interpretation of the law was left to the courts, which practically reënacted all the harsh provisions of the combination acts by declaring that labor combinations were unlawful at common law, on the ground that they were in restraint of trade. There was a long period of agitation and discontent, until, in 1859, a law was passed which declared that workmen were not to be held guilty of "molestation" or "obstruction" under the act of 1825 for simply entering into agreement to fix the rates of wages or the hours of labor, or to endeavor peaceably to persuade others to cease or abstain from work to produce the same results.

But once more the courts nullified the intent of the lawmakers, and a commission was appointed to investigate the subject. The result of this investigation led to the passage of two acts—the Trade Union Act and the Criminal Law Amendment Act, the latter repealing the acts of 1825 and 1859. This new act made stringent provisions, as against both masters and men, to prevent coercion, violence, threats, following, molestation, and obstruction; but there was no prohibition against doing or conspiring to do any act on the ground that it was in restraint of trade, unless it came within the scope of the enumerated prohibitions.

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Before calling attention to the Trade Union Act, it is well to notice the judicial view entertained of trade unions a few years before. In 1867 the Court of Queen's Bench sustained the court below in dismissing a complaint against the defaulting member of a society because one of its main objects was "that of a trade union and the support of members on strike," which was declared to be illegal. The act of 1871, if it did not absolutely change the judicial aspect, at least materially modified it. The opening paragraph of the act tells in a sentence the victorious culmination of a struggle which the working-men had waged for centuries. "The purposes of any trade union," reads the act, "shall not, by reason merely that they are in restraint of trade, be deemed to be unlawful, so as to render any member of such trade union liable to criminal prosecution for conspiracy or otherwise." The act declared that trade unions were not unlawful for civil purposes; prescribed rules for their proper conduct and government; created the machinery for their registration; defined their powers to purchase and own property; permitted them to sue or be sued touching their property; limited the responsibility of trustees; fixed penalties for the punishment of crimes against the unions; and made the necessary rules and regulations to safeguard their interests. In a word, trade unions were at last legalized.

"It was now thought," to quote from Mr. John Burnett, of the British Board of Trade, "that strikes as ordinarily conducted were legal and safe, provided the limits here set forth were not exceeded, and it was certainly assumed that men on strike were not now liable to prosecution for criminal conspiracy." But in the year following the passage of the act some of the firemen employed at gas works in a London suburb went on strike "under circumstances which rendered them liable for breach of contract," the maximum penalty for which was three months' imprisonment. The men, however, were indicted for conspiracy; the judge held that they were guilty of that offence; and they were sentenced to twelve months' imprisonment. The severity of this sentence, and the impression it again created, that once more a law had been enacted only to prove powerless to afford the protection which was the motive for calling it into existence, led to the passage, in 1875, of the Conspiracy and Protection of Property Act, certainly one of the most important statutes regulating the relations between capital and labor in modern times.

Section 3, which contains the essence of the statute, provides that "an agreement between or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade

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dispute between employers and workmen shall not be indictable as a conspiracy if such act committed by one person would not be punishable as a crime." That is to say, any act legal for one person to do or perform is legal when done in conjunction with others. It gave the workmen all for which they had been contending. It gave them the right to strike, either as individuals or in combination with others, and the fear of an indictment for conspiracy no longer assailed them. "The third section of this act," in the words of Lord Chief Justice Coleridge, "distinctly legalizes strikes in the broadest terms."

Passing over other sections not material at this time, attention must be directed to the seventh section, scarcely of less importance than the third. Any person who uses violence or intimidation, persistently follows another person, hides his tools or other property, watches or besets his house or the place where he works, or follows him with two or more persons in a disorderly manner, is liable, under section 7, to a fine not exceeding £20 or imprisonment for three months; but "attending" near the house or place where a person resides or works in order merely to obtain or communicate information is not watching or besetting within the meaning of the section.

The passage of this act caused the workmen great satisfaction and their employers equal apprehension. It is a remarkable commentary on the judicial interpretation of statute law that after twenty-five years the positions of the two sides have been reversed. Many workmen would heartily welcome a repeal of the law, while the masters, who dreaded its enactment, would resist to the utmost its abrogation. That men can strike, or do in combination that which before was declared illegal, has not weakened the position of the employer; he has found his real strength in the prohibitions of the seventh section, which make it easier to prosecute dissatisfied workmen who attempt to interfere with those willing to take their places. Under the provisions of that section frequent prosecutions have been brought charging men with intimidation and violence, and the definition of these words is a nice nut for the lawyers to crack. As a general thing the courts have given a broad construction to the act, and have shown a disposition to protect workmen against coercion in any form, even when there was no actual violence or danger of physical assault. For example, a carpenter was sentenced to three weeks' imprisonment for following a man about from place to place. Picketing a piano manufacturer's premises together with the publication of his foreman's name in a black-list was declared by the Court of Queen's Bench to be "a malicious act, which is in law and in

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fact a wrong act, and therefore a wrongful act, and therefore an actionable act, if injury ensues from it." The plaintiff was awarded damages, and an injunction was granted.

It was not until 1897 that a judicial decision again threw open the doors of controversy. This ruling, in conjunction with the Taff Vale decision recently rendered by the same tribunal, will lead to still further changes in the law. In 1894 Flood and Taylor, two shipwrights, working for the Glengall Iron Company, were discharged. They were men of excellent character; they had served an apprenticeship to the same company; and their work gave satisfaction. They had been taught to work both in iron and wood. The Boiler-Makers' Society objected to the employment of men who were workers in both iron and wood, and demanded the discharge of Flood and Taylor. The manager of the works protested against their discharge; but the boiler-makers called in their delegate, Allen, who told the manager that unless the obnoxious men were discharged a strike would be ordered. Allen frankly told the manager that his union had no ill feeling against the employers or against any men in particular, but that the union was fighting for a principle, and that the employers had no option as the union was in a position to enforce its demands. Referring specifically to Flood and Taylor, he said that the men were known, and that wherever they were employed the same action would be taken, even if it became necessary to tie up every ship-yard on the Thames. Flood and Taylor were accordingly discharged that day.

The men brought suit against Allen in the Court of Queen's Bench, and each recovered damages of £20. From this decision Allen appealed to the Court of Appeal, where the judgment of the court below was affirmed. A further appeal was then taken to the House of Lords, the court of last resort. The case was argued for four days in 1895. In 1897 their lordships required further argument, and the case was resubmitted, the arguments consuming six days. The case was deemed of such great importance that the Lords did a thing done once in a generation, calling in eight of the most eminent judges in the kingdom to whom they submitted this question: "Assuming the evidence given by the plaintiffs' witnesses to be correct, was there any evidence of a cause of action fit to be left to the jury?"

The judges asked time for deliberation, and three months later delivered their opinions, the majority of them of considerable length. Of the eight judges, six sustained the lower courts, while two answered their lordships' question in the negative. The opinions of the judges were

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simply to assist the Law Lords in reaching their conclusions and were not the judgment of the court. Six months after the judges had rendered their opinions the decision of the House of Lords was rendered, the judgment of the court below being reversed and the appellant granted the costs of prosecuting the appeal, in the court below, including the costs of the trial. Of the nine members of the House of Lords who heard the case, three — the Lord Chancellor and Lords Ashbourne and Morris — dissented from the majority. It will be seen that the majority opinion of the judges who were called into consultation was ignored. The report made to the Department of Labor thus sums up the decision:

"Put in the concisest form the judgment of the highest court of the British Empire is: Where an act is lawful in itself the motive with which it is done is immaterial. To induce a master to discharge a servant, or to induce a person not to employ a servant, though done maliciously and resulting in injury to the servant, does not give him any cause of action."

The far-reaching importance of this decision can be easily appreciated. Not only did it break down many of the restraints of the law, both civil and criminal, but, as Lord Morris said in his dissenting opinion, it overturned the overwhelming judicial opinion of England. The law relating to malicious discharge, it was supposed, was well settled and governed by the two leading cases of Lumly *v.* Gye, and Temperton *v.* Russell; but these precedents were swept aside and a new interpretation was given to statutory enactment. The Lord Chancellor, in concluding his opinion, concisely summarized the situation when he said:

"I regret that I am compelled to differ so widely with some of your lordships, but my difference is founded on the belief that in denying these plaintiffs a remedy we are departing from the principles which have hitherto guided our courts in the preservation of individual liberty to all. I am encouraged, however, by the consideration that the adverse views appear to me to overrule the views of most distinguished judges, going back now for certainly 200 years, and that up to the period when this case reached your lordships' House there was an unanimous consensus of opinion; and that of eight judges who have given us the benefit of their opinions, six have concurred in the judgments which your lordships are now asked to overrule."

The announcement of the decision by the House of Lords was regarded by the workmen as another sweeping victory. They considered that their position had been immensely strengthened, and that by being legally permitted to hold over an employer the threat of a strike, unless men obnoxious to them were discharged, they had a powerful weapon in their hands. But the employers were also quick to see that it gave them a weapon which might prove formidable if properly employed. If the law permitted officials or members of trade unions to threaten non-

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unionists or others with loss of employment, or to threaten employers with suspension of work unless they discharged objectionable men, *ex pari ratione* employers could legally refuse to employ members of a trade union in case of molestation of non-unionists by their fellow-workmen. In other words, both threats to strike and threats to lock out had been legalized, and the threat might be converted into an act without subjecting the doer of the act to a civil or criminal prosecution. This is especially important in view of the common practice of agreements and contracts between employers and their men. If an employer broke his contract or agreement with his men, he would be liable to damages for breach of contract. Under the dictum laid down in Allen *v.* Flood he incurred no such risk. The net result is that while the workmen have gained in some things they have lost in others; and while they now have an additional weapon in their armory, it has frequently been as destructive to themselves as to their enemy.

We now come to a consideration of the Taff Vale Railway case, which is another chapter in the irrepressible conflict between capital and labor. The railway company had a difference with some of its employés which led to a strike. The merits of the case are not important, neither are the efforts made on both sides to avert hostilities. The strike was ordered by the Amalgamated Society of Railway Servants, a powerful labor union, and the railway station at Cardiff was picketed by the strikers. The railway company thereupon applied for an injunction against Bell and Holmes, two officers of the Amalgamated Society, to restrain them from watching and besetting the station and adjacent property, claiming that their actions were in violation of the seventh section of the Conspiracy and Protection of Property Act. The injunction was granted. The railway company next applied for an injunction against the society, naming Bell and Holmes as two of its officers, to restrain the defendants from watching or besetting the property of the plaintiffs, or the residences of their workmen, for any purpose except merely to obtain or communicate information, and from inducing any persons to violate their contracts with plaintiffs.

The society strenuously opposed the granting of the writ of injunction on the ground that the society, being neither a corporation nor an individual, could not be sued in a quasi-corporate or any other capacity, and that an action in tort would not lie. Mr. Justice Farwell, in disposing of this point, while conceding that a trade union "is neither a corporation nor an individual, nor a partnership between a number of individuals," maintained, basing his conclusion on analogous cases, that a trade

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union was a corporate body and as such qualified to sue or be sued. In September, 1900, Justice Farwell in the High Court of Justice, Chancery Division, granted the injunction prayed for.

The trade unions were up in arms. If the position of Mr. Justice Farwell was sound, and sustained by the higher courts, trade unionism, instead of being an element of strength to its members, would become a positive weakness. The decision of Justice Farwell was, in effect, that trade unions were responsible for the acts of their members, and that, being legally responsible, they became civilly liable for damages in case an injury was done by a member. This made the gravity of the decision from the standpoint of the trade unions. The courts had frequently awarded employers damages against individual members of the unions — as in the case of the piano firm above mentioned, and many other recorded instances — and the award had always been a barren victory, as the average workman has no money with which to pay the judgment; but if the union was to be held responsible, the situation was entirely changed, as many of the unions have large funds to their credit.

The importance of having Justice Farwell's decision reversed led the trade unions of the country to support the Amalgamated Society in carrying the case to a higher court. It came on for hearing in the Court of Appeal, before the Master of the Rolls, and Lords Justices Collins and Stirling, on November 12, 1900. The opinion of the court, delivered by the Master of the Rolls with the concurrence of the other justices, was that the society could not be sued as a society. The Master of the Rolls pointed out that in the trade-union acts there was no provision empowering a trade union to sue or be sued, except in defence of its own property. The court went very fully into this; discussed elaborately the intent of the Legislature in omitting any provision for the bringing of an action by a trade union; pointed out wherein a trade union differed from a joint stock company; and reached the conclusion that the action was not maintainable against the society, and that its name must be struck out and the injunction against it dissolved. The defendants were granted costs, and the plaintiffs were given leave to appeal to the House of Lords.

Appeal was taken and decision rendered on July 22 of the present year; the House of Lords overruling the Court of Appeal and sustaining Mr. Justice Farwell in the position that a union was a legal entity capable of suing and being sued. The Lord Chancellor, in moving that the appeal be allowed, said:

"In this case I am content to adopt the judgment of Mr. Justice Farwell, with

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which I entirely agree, and I cannot find any satisfactory answer to that judgment in the judgment of the Court of Appeal which overruled it. If the Legislature has created a thing which can own property, which can employ servants, and which can inflict injury, it must be taken, I think, to have impliedly given power to make it suable in the courts of law for injuries purposely done by its authority and procurance."

The courts having decided that a labor union may be sued, the Taff Vale Railway Company entered suit against the Amalgamated Society for £20,000 damages. That suit has not yet come on for hearing, and will be contested on both sides to the bitter end. If the case should be decided against the Amalgamated Society, it will lead to a complete change in the management of labor unions. The Trade Union Congress sitting at Swansea at the time this article is written has the question under consideration, and the unions have already discussed the necessity of appealing to Parliament for a modification of the law under which they have a legal existence.

Some of the labor leaders believe that the decision will be to the ultimate advantage of the unions, as compelling employers, for their own protection, to deal solely with the unions and ignore non-union men, because the unions are responsible for their acts, while individual men can escape civil liability. If this same doctrine is applied to this country — if, for instance, the Amalgamated Association of Iron and Steel Workers were in danger of being cast in damages for inducing men to break their contracts with the United States Steel Corporation and go on strike — might not that fear have a restraining influence? With that suggestion I leave the question for others to discuss.

A. Maurice Low.

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THE ORGANIZATION OF THE MEDICAL PROFESSION.

UNDOUBTEDLY a characteristic feature of modern society is the tendency to form organizations made up of those individuals who hold similar ideas on some particular topic. This growing propensity is far removed from that of the primordial communistic and tribal society, being in purpose distinctly intellectual, not industrial. So we have trades unions, secret societies, political clubs, social clubs, scientific societies, religious societies, charitable associations, and so on almost without end. With rare exceptions, the individual now finds that he can accomplish little in the way of social reform unless he works in conjunction with others who hold like opinions. Therefore it is, in part, that we have medical societies, in addition to other organizations.

No doubt the general reader will at first thought consider that the discussion of the subject of medical organization should be confined to medical publications; but I hope in a few words to convince him that, on the contrary, this topic is of interest to every citizen of the Republic. To a considerable extent the medical profession is misunderstood by the public, and its societies are regarded largely as playgrounds for the doctors, just as the secret societies are for laymen. It is my aim to set forth clearly the true objects of medical organization, and to demonstrate the benefits that the commonwealth would derive from its perfection.

The attitude of medicine toward the world to-day is very different from that which obtained up to comparatively recent times. It is not so long ago that medicine was encumbered by a mass of superstition, ignorance, and charlatanry; but nearly all of this incubus has been swept away by the development of the natural sciences and the consequent growth of rational medicine. When we consider what scientists in the various fields related to medicine have done for that profession, we find that the ideal of modern medicine is the prevention of disease, that is, the very destruction of the physician's means of gaining a livelihood — a unique situation. It follows naturally, then, that the medical profession wishes to be understood and aided by an enlightened public intelligence.

As a result of the recent strenuous application of the scientific

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method to medical research, with the consequent revolutionizing of medical education, the medical profession is to-day in a transitional stage, out of which there is rapidly emerging a true "new school of medicine," as has just been eloquently proclaimed by the President of the American Medical Association, Dr. Charles A. L. Reed. The day of "beliefs" in medicine is gone forever. The medical sects founded on metaphysical dogmas are rapidly becoming matters of history, in consequence of the steady diffusion of accurate scientific knowledge of the cause and nature of disease. *A priori* reasoning no longer determines the action of the physician.

There can be only one science of medicine, even as there is but one science of chemistry, of astronomy, of botany, of physics, or of physiology. Now that physicians must be thoroughly trained in the basal natural sciences, it is obvious that their methods of meeting the conditions of actual practice must be to a great degree similar, and that their education totally unfits them for applying any exclusive theory of treatment to the facts of nature as encountered in the disordered functions of the diseased human body. Only a man totally ignorant of physiology, or else wholly devoid of moral sense, will attempt to maintain that any exclusive method can be effectively employed in dealing with the infinitely varied forms of disease. The new school of medicine, then, is the logical outcome of the development of the natural sciences, and it is eminently rational. The address of the President of the American Medical Association at its annual meeting held at St. Paul, Minnesota, last June, contained the following statements concerning this point:

"He who now proclaims a dogma cries alone in the night, while the world sleeps. They who demand a creed may read its varying terms only in the progressive revelation of natural laws. Practice has changed. . . . Prevention is given precedence over cure. Education implies research and discovery, and all may delve. I proclaim, events proclaim, the existence of a new school of medicine. It is as distinct from the schools of fifty years ago as is the Christian dispensation from its Pagan antecedents. It is the product of convergent influences, of diverse antecedent origin. It acknowledges no distinctive title, it heralds no shibboleth. It is a school of human tolerance, of personal independence, of scientific honesty. It is the slave of neither prejudice nor preconception, and abandons the accepted truth of yesterday, if it only be the demonstrated error of to-day. It places no premium upon personal prerogative, and extends no recognition to individual authority. It makes no proclamation of completeness, no pretension to sufficiency. It recognizes that truth is undergoing progressive revelation, not ending to-day, but continuing through the ages. It yields its plaudits to achievement, and recognizes that he is the greatest among men who reveals the most of truth unto men."

The opening of the new century having thus brought to physicians a realization of the essential unity and interdependence of all true medi-

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cal knowledge, there has arisen spontaneously in the medical profession a general demand for better methods of organization. It is recognized that some of the most beneficent practical results of modern medical science will not be enjoyed by the citizens of our cities, counties, States, and nation until they are enforced by legislative enactment, or until they receive general recognition and approval. Further, it is perfectly patent to physicians that individual effort will not command the attention of the lawmakers and of the public, and that only through thorough organization can the medical profession effectively accomplish its duty. Here it is that the value to the commonwealth of effective medical organization appears clearly. In the medical societies the conflict of opinion ends in the supremacy of the views promulgated by the leaders in scientific medicine, and the verdict can then be given public force as the collective opinion of the profession. The very weight of numbers, backed by intelligence and by a compact organization reaching into every county in the Union, will give momentum to demands upon legislators and administrators for improved sanitary conditions, and for the enforcement of ordinances tending to protect the people from unnecessary illness and from the crimes of charlatans.

Broadly speaking, medical organization may be said to have two purposes. The first is that of self-improvement, of increasing and extending medical knowledge and skill, and of protecting the material interests of the profession. The second is to give freely to the public the benefit of accumulated knowledge and experience, chiefly in the shape of measures for the prevention of disease. The first object, therefore, is pardonably selfish, though the public directly profits by the increase of skill in the treatment of disease; while the second is wholly altruistic. The following quotation from the new constitution of the American Medical Association gives a clear idea of the purposes of the medical profession in reorganizing its societies:

"The object of this Association shall be to federate into one compact organization the medical profession of the United States, for the purpose of fostering the growth and diffusion of medical knowledge, of promoting friendly intercourse among American physicians, of safeguarding the material interests of the medical profession, of elevating the standard of medical education, of securing the enactment and enforcement of medical laws, of enlightening and directing public opinion in regard to the broad problems of state medicine, and of representing to the world the practical accomplishments of scientific medicine."

Medical organization, then, while directed to eminently practical ends, is dominated by high ethical ideals; and its unwritten creed is chiefly characterized by an active, sensible, and genuine altruism. The

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living exponents of the ethics of medicine being very human, it should cause no unusual disappointment to find that their daily path is strewed with mistakes, shattered hopes, and the other familiar evidences of the imperfection of human nature. These evident shortcomings must not be allowed to obscure the faithful effort of those who constantly strive to raise the profession nearer to its almost impossible ideals. The medical profession has yet many vexed and difficult problems of social polity to work out within its own borders; but it is nevertheless in a position to-day to give to the world knowledge and effort that promise to lengthen life, to mitigate suffering, to prevent disease, and in general to improve the conditions of civilized existence.

The general reader has not had the opportunity to learn of a significant event which occurred at St. Paul, Minnesota, in June, 1901, during the fifty-second annual meeting of the American Medical Association. The report of the committee on reorganization, including a new constitution and by-laws, was adopted with remarkable unanimity in a convention of 1,806 educated men gathered from all parts of the country. The new scheme of organization gives the legislative and fiscal work of the Association to a compact body of not over 150 delegates, who are to be elected by the State medical societies. Thus, true representative government is provided for. In addition, the Association asked the various State societies to adopt similar plans of organization, in which the county medical society shall be the unit. In passing, it may be noted that in some States — Alabama, Pennsylvania, Connecticut, Indiana, and New York — the medical profession is already organized on essentially similar lines. When the present plans are finally executed, the medical profession will have an organization in every county in the Union, from which by delegate representation will arise the State organizations, and these in turn will directly elect the legislative portion of the American Medical Association.

The profession is surprisingly aroused at the present time, and is everywhere considering improved methods of organization. In many States committees appointed by the State medical societies are working out harmonious plans, and another year will witness some of the results of this general revival of interest. It is no longer an idle dream, but merely a look into the near future, to picture the secretary of the American Medical Association in constant communication with the secretaries of each State society, and through them with the secretaries of the county societies. When this goal is reached, it will be a simple matter to concentrate the good influence of the medical profession upon that

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point at which, at a given time, it is most needed, whether this happens to be a city council, a State legislature, or the national Congress.

With such a ubiquitous, coherent, and well-integrated organization, permitting immediate communication between the physicians of every county in the Union, and their simultaneous action, it is perfectly evident that the medical profession will possess a powerful engine of political influence — a "machine." Such being the case, it is fair to ask the purpose to which this machine will be set. To give some answer to this question is one object of this paper. The public has a right to know why the physicians wish to possess political power, and the medical profession desires the public to appreciate its aims and sympathize with them.

No surer index of the future has ever been found than the intelligent study of the past. What have been the public relations of medical societies hitherto? Medical societies have urged the passage of quarantine bills, have led the way in creating boards of health, and have inspired and written laws that check the spread of contagious disease. They have compelled the States — most of them — to enact laws prescribing an increasingly high standard of education for men who wish to practise medicine; and, contrary to common belief, it is the public which reaps the entire benefit from these laws. In Ohio, in Alabama, in Colorado, and in other States, medical societies have effectually punished public officials who were negligent or careless in matters affecting the public health. Medical societies have asked, again and again, for the passage of additional laws and ordinances intended to ameliorate some of the unfavorable conditions of civilized existence. These demands have as yet usually gone peacefully to sleep in the legislative pigeon-hole, because the looseness of medical organization did not threaten the legislators with loss of votes, and because councils, legislatures, and Congress have been too busy with "politics" to find any time to listen to a few troublesome doctors asking the enactment of legislation that would perhaps tend to lengthen human life, but would not immediately increase the number of votes.

When the new plans become effective, the doctors will not expect to waste on the same set of legislators a second request for laws in the interest of the preservation of public health. Doctors, when they choose to act, are excellent politicians, because they come intimately in contact with the masses, and because they rarely ask political favors for themselves. Therefore, the present agitation and general agreement among physicians as to the necessity for complete organization spring from a

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desire on the part of the medical profession to accomplish in behalf of humanity that beneficent work to which its ideals bind it and for which its education fits it.

To organize the medical profession effectively and completely will cost money, time, and effort; but this fact will not deter the movement. Beyond doubt the medical profession will pay for its own organizing, particularly as such an object is not likely to appeal to the philanthropist as worthy of endowment. In reality, funds could hardly be set apart for a more generally useful purpose, when ultimate results are considered; but the returns from the investment would not be tangible, readily seen, or as prompt as the benefactor usually desires.

In closing, it will not be inappropriate to point out the manifest mission of medicine in the twentieth century. In the first place, physicians all over the world will continue with increasing energy to pursue their researches into the cause of disease, with the consequent effort to find new and improved means of prevention and cure. In the second place, the medical profession, when thoroughly organized, will teach the general public the means that have been found to reduce the amount of illness and to increase the general longevity, and will compel legislative bodies to give more heed to the ever-pressing necessities for improved sanitary laws. It will demand laws to check the adulteration of food, and to prohibit the sale of patent medicines containing poisonous drugs. It will also insist that our quarantine methods be made more effective, and that health officers be given greater authority. These and an almost indefinite number of other details of state medicine will be authoritatively dealt with by the organized medical profession of the twentieth century. There is every reason for the general public to watch and encourage the efforts of the profession of medicine during the years to come.

P. Maxwell Foshay.

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THE COLONIZATION OF SIBERIA.

REGARDED in the perspective of history, perhaps no event of modern times, with the exception of the discovery of America, exceeds in importance the colonization of Northern Asia by a European population. With a single exception, all the European powers in their enterprises in Asia have been restricted by both geographical and racial conditions to holding, by military force and on an expiring lease, territories which they may subjugate and rule, but cannot permanently make their own. They are met at every point by races less civilized and virile, but not less numerous or tenacious, than their own; and although they may succeed in consolidating their rule by the imposition of artificial political institutions, they know very well that their dominion cannot for a single day survive the destruction of their military power.

Russia alone seems exempted from this law that Europe and Asia can never be permanently united; and in comparison with her assimilation of the whole of Northern Asia, the diplomatic and military struggles of the Western powers to establish themselves on other parts of the continent sink into insignificance. The interest of this assimilation is all the greater since, on examination, it appears to be primarily the product of statecraft, partaking, until quite a recent date, less of the character of popular impulse than any event of comparable importance in the history of the world. Thirteen years ago, indeed, the number of voluntary immigrants settling in Siberia in each year hardly exceeded the number of convicts and exiles deported there by the authorities. Yet the population even then exceeded that of many European states; and although it was spread over an area in which most European states would be an inconsiderable patch, it was so distributed as to leave no doubt of the ultimate absorption of the country by the Russian race alone.

Though the system of registering and controlling emigration to Siberia dates back to 1881, the present improved conditions have existed since 1896 only. In that year took place two important events which have done more to ameliorate the conditions of emigration than all the official regulations and legislative enactments of the previous fifteen

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years. The first of these events was the completion and opening for traffic of about 1,000 miles of the Trans-Siberian Railway, from Tchelabinsk to the Obi, and the consequent supercession by Tchelabinsk of Tiumen as the threshold of Northern Asia. In pre-railway days Tiumen played to Siberia a very similar part to that formerly played by Orenburg to Central Asia; and its decline did not begin until 1893, when the railway from Tchelabinsk was completed to Kurgan on the Tobol. In that year, though the great majority of emigrants continued to go through Tiumen, about 7,000 adopted the Kurgan route; and in 1895, on the opening of the railway to Tomsk, only 17,000 emigrants passed through Tiumen, while 90,000 passed through Tchelabinsk. In 1896 the number of emigrants increased enormously, and while 190,000 passed through Tchelabinsk only 12,000 took the river route from Tiumen; and, as the latter were for the greater part emigrants to the forest lands near Tobolsk and Tara, the triumph of the new route was definitely established. Tiumen has been saved from decline to the condition of a village only by the recent construction of the railway from Kotlas to Perm.

The immediate consequence of the opening of the railway was an immense increase in the comfort and safety of the emigrants. Although the new route was at first even less adequately equipped than the old for coping with heavy traffic, the advantages of quicker transit, freedom from long delays, and greater reliability more than compensated for the absence of special provision for the emigrants' needs. Transport by steamer probably afforded more comfort than the crowded fourth-class railway trucks, but the slowness of movement, due largely to stoppage by frost in winter and by want of water in summer, led to indescribable destitution and suffering among the emigrants. A decade ago Tiumen and the riparian towns of Western Siberia presented during certain months of the year the appearance of vast camps, where thousands of emigrants were crowded together without money or food, waiting for the steamers which were to take them on the long journey for a fortnight to Tomsk or for twenty-five days to Barnaul. The mortality resulting from this overcrowding and destitution was immense. Even as late as 1894, out of 56,000 emigrants passing into Siberia no less than 3,000 perished on the way; and the mortality in earlier years was still heavier. On the opening of the railway in 1896, out of 190,000 emigrants passing through Tchelabinsk not more than 700 died, while in 1899, out of 220,000 men, women, and children who entered Siberia, all but 300 reached their destinations safely.

The decrease in mortality within the last three years is not, how-

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ever, due to the railway alone. During and since its construction many other steps have been taken to better the condition of the emigrants. The chief of these are the distribution of reliable information, and the construction of barracks, hospitals, and dining-rooms all along the line, where shelter, medical aid, and hot food are supplied to the emigrants gratuitously or at nominal prices. From Tchelabinsk every emigrant train is now accompanied by a sanitary wagon, fitted with three beds for the sick, a medicine chest, and other necessaries, and in charge of a trained nurse. But while the mortality has greatly decreased the sanitary condition of the emigrants still leaves much to be desired. The so-called "emigrant trains" are composed of fourth-class carriages, fitted with stoves in winter, but with little other convenience; and, owing to the deficiency of rolling stock all along the line — especially on the Trans-Baikal section, where last February there were no first or second-class carriages at all — overcrowding is still common, children being the chief sufferers. A petition was recently presented to the Emigration Department for the construction of better carriages for emigrant traffic, but this reform is more difficult to carry out than might be expected. The wave of immigration is by no means equably spread over the year, but increases from about 10,000 in January to nearly 60,000 in May; so that special emigrant wagons, if provided in sufficient numbers, would remain idle for the greater part of the year.

But the most important step toward improving the conditions of the emigrants is the establishment of the Emigration Depots, which are now situated at short intervals all along the railway line from Tchelabinsk to Stretensk, and also on the Amoor and Ussuri and the chief rivers of Western Siberia. These depots are established not only at all the principal towns, but also temporarily at the centres of emigration for the time being. Siberia in the present year contains over thirty, at nineteen of which are stationed emigration officials whose duty it is to advise the emigrants as to the position of suitable land, and to confirm them in possession. The Ministry of Internal Affairs has also lately opened a large number of stores of agricultural implements and machinery, at which the settler can procure nearly everything necessary that he may begin farming on easy terms.

The second event which marked the year 1896 contributed perhaps even more than these reforms to improve the conditions of emigration. Up to that year the colonization of Siberia was regarded by the Russian Government as a question of high politics which must be shrouded in absolute secrecy. The press was even prohibited from publishing the gov-

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ernmental regulations and statistics; and the emigrant peasants hurried or were hurried into the colony, not only without sufficient provision for their needs on the way, but without knowing anything of the country in which they were to settle. Within the last four years this policy has been completely reversed. A Department of Emigration has been formed in the Ministry of Internal Affairs; publicity has been given to statistics and to terms of settlement; and the regulations have been reformed, and at the same time more strictly enforced. A systematic study of the resources of the country has been undertaken; and for the last two years pamphlets written in simple language have been issued at nominal prices, combating the false ideas prevalent in Russia as to the nature of Siberian life. The Russian peasant's conception of Siberia, like that of more enlightened Western Europeans, has oscillated between abysmal wretchedness and elysian felicity; and in Russia, as in Western Europe, it is the latter conception which tends to gain the upper hand to-day. But the more prudent emigrants had long been in the habit of despatching pioneers, or home-seekers, to examine the country and select lots; and in 1896 this system of pioneering, the fruit of much bitter experience, was officially recognized, a year later being made obligatory upon all intending settlers upon the Crown lands.

The policy of the Russian Government in recent years as to emigration is not very easy to define, but it is by no means characterized by indiscriminating approval, as is sometimes stated. M. Kulomsine, a member of the Siberian Committee and one of the highest authorities on the subject in Russia, flatly denounced the present mania for emigration as an "undesirable phenomenon," and, after an examination of the conditions of Siberian agricultural life, straightway distributed, in the provinces from which the majority of the emigrants come, half a million pamphlets in which he openly discouraged the peasants from leaving their present homes. Many official Russians also declare that emigration, by removing the surplus population, retards the introduction of a more intense agriculture, and at the same time diminishes the supply of agricultural laborers; but as the efflux from Russia has not averaged more than 140,000 for the last seven years, while the yearly increase in the population is nearly 1,500,000, neither of these objections would seem to hold water. The pamphlets issued by the Emigration Department for the information of intending emigrants indicate, however, considerable scepticism as to the advantages of the movement, and lay continual stress upon the laborious nature of Siberian life, and the large proportion of emigrants who return disillusioned every year.

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While the peasants in no way share this view — a popular proverb declaring that "Siberia is a gold mine" — it is certain that they emigrate under the influence of severe economic pressure only, for two-thirds of the emigrants come from a few of the more thickly peopled provinces, chiefly from Poltava, Tchernigof, and parts of Kharkof and Kursk, where the average allotment of land is not more than four and a quarter acres per head, and where some whole families possess less than an acre and a half.

While the stringent regulations now governing emigration to Siberia have abolished to a great extent the disorder and abuses of the old system, they have entangled the whole process in a network of bureaucratic formalities; and the preliminary steps which must now be taken by every intending emigrant are enough to make all but the most resolute desist. Before making any movement at all, the emigrant must seek the advice of the local authorities, and obtain a certificate of his suitability and capacity. Permits to emigrate are no longer easily obtainable, but are frequently refused on such grounds as "insufficient means," "physical disability," and "want of working power in the family;" the regulations laying it down that only "good farmers and taxpayers" are to be granted permits. The provisional permit is given only to the head of the family or some other able-bodied member of it, who, having taken the advice of the emigration officials at Tchelabinsk as to the nature and location of the available lands, is sent at a nominal fare into Siberia, where he is free to examine all the lots available. If he is successful in finding suitable land, he must first have his choice approved at the local Emigration Office, the title being endorsed upon his pioneer's certificate. Afterward a final permit to emigrate is given to the remaining members of his family, who follow him on special terms as to railway fares, monetary assistance, and exemptions; the poorer obtaining grants or loans to enable them to set up house and purchase the necessary implements. Formerly this assistance was given liberally, but the present policy of the Government is to encourage emigration by the more prosperous and thrifty peasants only, and monetary assistance is now restricted to small amounts seldom exceeding from fifteen to twenty-five dollars, and then nearly always in the form of a loan repayable without interest within ten years.

But before the final decision to emigrate is taken, the number of requirements to be satisfied is so great that it is not difficult to understand why not thirty per cent of the pioneers undertake the responsibility of bringing their families from home. For while Siberia as a whole contains the natural resources necessary for nearly all forms of agriculture, these

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resources are very unevenly distributed, and there is no single district which does not oppose to great natural advantages certain serious drawbacks. All the best agricultural land has long been occupied; and the pioneer, who has only some two months in the year in which he can satisfactorily examine lots scattered over a great area, must compromise a hundred conflicting interests before he can be sure of making the best selection. He must consider the nature of the land, whether dry, marshy, or salt, the question of water-supply, whether wood exists in sufficient quantities and of the right quality both for building and fuel, and whether the crops raised are those to which he has been accustomed in Russia. He must inquire as to the system of agriculture practised — Siberian land requires much heavier work than Russian — the losses from thieves, disease, wild beasts, and insects; the question of markets and means of transport; and the cost of establishing a home. He must ascertain whether the local inhabitants have emigrated from the same district, and speak the same dialect as himself.

But the most difficult question of all is as to the possibility of obtaining ready money from other sources than agriculture. Of late years this question, which plays an immense part in the economic life of the peasants of European Russia, has become one of great difficulty; for the railway, while facilitating the sale of produce, has deprived the settlers along the old Siberian track of the large profits which they formerly made in the transport of goods, and has consequently rooted them more firmly than ever to the land. Though this deprivation is merely temporary, the bitterness which it has caused among the old settlers may be judged by the fact that the frequent destruction of the wooden bridges by fire is attributed to the desire of the residents to revenge themselves for the loss of their means of livelihood. The emigrant must also consider the question of education and religious instruction. And, having settled all these problems, he must consider whether it is preferable to bring out all his family at once, or, as the authorities recommend, to leave part of it for the first few years to make its way at home.

The country in which he can obtain a satisfactory settlement or compromise of these conditions no longer comprises all habitable Siberia, or even a considerable part thereof. All the best lots, especially those adjacent to the railway line, have long been occupied; and even of the uninhabited, but habitable land, only an insignificant proportion is available for settlement in any one year. The policy of the emigration authorities is to open periodically for settlement certain limited areas, and only on their complete occupation to look about for new. Though these dis-

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tricts are small, and at any given time limited in number, they are situated immense distances apart, being distributed variously over forest-land, black earth, and steppe, so that emigrants from any of the three cultivable zones of Russia may find agricultural conditions similar to those to which they have been accustomed at home. The Crown lands available for settlement are classified, therefore, not according to geographical situation, but according to natural conditions; and well-advised emigrants settle in their corresponding zones, though such forethought is by no means common, and various local factors tend to modify the rule. The authorities, however, divide the free land into four classes — steppe lands, the Barabinski lands, mountain lands, and forest lands. Of these by far the greatest room for settlement is to be found in the last.

The steppe lands now open for settlement are all situated in the Akmolinsk territory, the total population of which, including Kirghiz nomads, was under 700,000 in 1897; showing an increase of about 400,000 since the census of 1858. The Akmolinsk lots are level, and contain some excellent black earth on which wheat is grown; but much of the land is unfit for the growing of cereals, though pasturage is abundant. Drought and the steppe-locust are the plagues of the Akmolinsk settlers, and water, except in the district of Omsk which is well supplied, is obtainable only by sinking deep wells. Wood also is unobtainable for either building or fuel. In 1899 steppe lands were also available for settlement by the side of the railway line in the province of Irkutsk; but these lands, which are very limited in area, are closed to immigrants in the present year. In the Irkutsk steppe lands, as in Akmolinsk, wood for building cannot be obtained, and a dry season sometimes means the total destruction of the crops. In this district of Irkutsk all Russian crops are raised, but winter wheat is sometimes destroyed by want of snow. The advantage of the Irkutsk steppe lands for settlement is the comparatively high price of produce; wheat rising to 75 cents a *pood* (36 lbs. avoirdupois), and meat to $1.75, a price never obtained in Western Siberia.

The scarcity of wood, which plays an indispensable part in the life of the Russian peasant, is the chief drawback, and even more than the absence of water retards the settlement of the steppes. Though the wealth of Siberia in timber is great it is very unevenly distributed, and the deficiency which has already been experienced occurs precisely in those localities where the development of other natural resources is greatest. The south of Tobolsk, the middle regions of Tomsk, and the north of Akmolinsk especially suffer from this scarcity; the present supply being

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insufficient for the needs of the railway and of the local population. Even in the north, the immense area nominally occupied by forest land gives a wholly false idea as to the amount of actual wood available; for fire and the axe, combined with ignorance, have desolated vast areas formerly covered with thick forest. So severely, indeed, has the scarcity of wood been felt throughout Siberia that the Ministry of Agriculture was compelled to send a commission of experts to examine and report upon the question. The investigations of these experts were limited to the provinces of Tobolsk, Tomsk, Yeneseisk, and Irkutsk, and to the territory of Akmolinsk; and their reports, which have since been published in a book, were to the effect that although Siberia still possessed vast areas covered with forest, most of the settled localities already suffered from scarcity of wood, while in the unsettled portions of the country the forests were rapidly vanishing through fires. Thus, in many of the settlements where wood for fuel is obtainable without difficulty, building wood must be transported hundreds of miles, and can be procured only at a high price. Wood from the Crown forests is supposed to be sold to the settlers at a reasonable price; but the buyer must pay the cost of transport, which often exceeds the value of the wood. The settlers also complain bitterly of the extortion of the factors, who cheat them over the measurement, and subject them to long delays while the wood is being cut.

The second field for settlement in Siberia is the so-called Barabinski steppe, which is in reality not a steppe at all, but contains wood in large quantities, though, as elsewhere, very unevenly distributed. It occupies a large part of the Tomsk, Barnaulsk, and Kainsk districts of the province of Tomsk, but only in the Kainsk district are lots now available. The land here is black earth, and the Kainsk district is well supplied with water, the country being dotted with depressions in which water collects in the spring. Irrigation is carried on from these sources by means of small canals. In the lots at Kargat wood is obtainable both for building and fuel, but in most of the settlements wood for building is brought by river. The climate is comparatively mild, and winter wheat cannot be raised. The Barabinski steppe also has its distinctive plague, which carries off immense numbers of cattle, and occasionally even attacks human beings.

It may be seen from this that neither in the steppe lands of Akmolinsk and Irkutsk, nor in the semi-steppe of Baraba, can be found the natural resources necessary for the easy and automatic enrichment of which the emigrant too often dreams. The so-called "mountain lots,"

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which constitute the third official division of Siberian lands available for settlement, have also their peculiar drawbacks. These mountain lands lie chiefly in the Minusinsk district of the province of Yenesei, at a distance of 220 miles from the railway; and, although they may be reached by steamer in three days from Krasnoyarsk, in winter they are quite isolated. The soil here is excellent for agriculture, and water is plentiful; but the cultivation of hillside patches is a new experiment for most Russians; and the morning frosts of early autumn do great damage to the crops. The number of lots in this district is very limited; wood is very plentiful in some parts, and in others very scarce. During the present year mountain lots have also been opened in the Kansk and Krasnoyarsk districts, the lands in both lying along the river Manath to the south of the railway. The land in these districts, as in Minusinsk, is a light fertile black earth, and all Russian crops are grown except winter wheat.

Owing chiefly to limitation of area, the mountain lands do not offer any extensive field for emigration. By far the greatest field for settlement now remaining free lies in the forest lands which are scattered over the provinces of Tobolsk, Tomsk, Yeneseisk, and Irkutsk. This is the *taiga* — or *urman*, as it is called in the extreme West — a hundred years ago a trackless wilderness of coniferous trees, but now containing vast spaces which, with a little clearing, are suitable for human habitation. Within the present century immense areas of this forest land, once thickly covered with larches, pines, and cedars, have been desolated by fire, being succeeded by birch and aspen; which in their turn have fallen victims. The spaces cleared by these successive processes of destruction are covered with a fertile argillaceous soil, which may be tilled for several years without improvement. But the forest lots, like the Barabinski steppe, in one respect belie their name; for while the steppe is enriched with considerable wood, the forest lands contain clearances extending over tens of thousands of acres without a single tree. In most places, however, wood for fuel is plentiful, and sufficient is found for building. Winter rye is grown throughout the forest lands; but the crops both in spring and autumn are liable to damage from severe morning frosts.

Although a considerable area of habitable forest land still remains unoccupied, the lots at present open for settlement are limited both in number and extent. In Tobolsk only the two districts of Tarsk and Turinsk are at present receiving emigrants. The Tarsk lots lie along the rivers Shish and Tui, affluents of the Irtish, and the Turinsk lots, which are reached from Tiumen, to the west of the Tobol. Every Russian

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crop except millet can be raised here, but buckwheat, an important constituent of Russian food, does badly. The forest lots in the province of Tomsk lie in the districts of Tomsk and Mariinsk, and here neither buckwheat nor millet can be raised. The Yenesei forest lots are situated in the Atchinsk and Kansk districts, the latter at a considerable distance from the railway. The settlers here cultivate all Russian cereals except millet. In the Irkutsk forest lands the same crops are grown; but here only five sections of the Nizhneudinsk district and two sections of the Balagansk district are now open for settlement.

At the present time nearly all immigration into Western Siberia is restricted to the forest *taiga*. No other lands are free; and the obtaining of suitable settlers, who are capable of coping with the hard conditions of forest life, presents a problem of great difficulty. Within the last two years, however, there has been introduced into this difficult country, with excellent results, a new immigrant element, consisting of White Russians from Minsk, Vitebsk, and Moghilef. The superiority of these emigrants for the peopling of the forest arises from the fact that they find there, more than any other Russian peasants, conditions resembling those to which they have been accustomed at home. The terms upon which leasehold land is held in White Russia, and especially in Moghilef, are very onerous. The payment of rent in money is unusual, the land instead being held for the peculiar "sheaf-rent," under which the lessee, while providing his own seed, is compelled to deliver to the landlord two sheaves out of every three, and, in the case of meadow land, even three-quarters of the crop. As a consequence of this system, large purchases of forest land have been made from the landowners in recent years, and throughout the forests of Moghilef a vast number of new settlements have suddenly sprung up, completely isolated from the older villages, and among conditions which closely resemble the *taiga* of North Central Siberia. The rapid increase in the population of Moghilef has stimulated emigration; and now in the forest settlements of Kansk alone more than one-fifth of the colonists are natives of this province, while many thousands more are hidden away in the forests of Tobolsk and Tomsk.

The demarcation and assignment of all these lots are the work of the emigration officials of the Ministry of Internal Affairs; but the conditions under which these officials work no longer resemble in any way those of the past. In pre-railway times the free inhabitants of Siberia lived at will and in abundance, but practised no methodical system of agriculture, and having sown and reaped in their temporary settlements quickly

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abandoned them for new. But at the present time, owing to the gradual occupation of the country, many of the new lots must be formed out of this abandoned land. Most of the Siberian soil now remaining virgin is either inferior in quality or is uncleared and unready for settlement.

There are, however, two fields now open for settlement in addition to the Crown lands above described. These are, first, the Altai division, and second, the superfluous communal lands of the old settlers. The Altai division, which stands on a different footing from the Crown lands, being the patrimony of the Emperor, comprises the Barnaul, Biisk, Zmeinogorsk, and Kusnetsk districts of the province of Tomsk, and seven sections of the Tomsk district. Since 1899 this field of settlement has been closed until the emigrants already there shall have become permanently settled. Settlement is, however, allowed on the communal lands of the old residents, both in the Altai division and on the Crown lands; the consent both of the commune and of the authorities being required. Formerly the quantity of superfluous land attached to the settlements of the old residents was very great, and immigrants were gladly incorporated without payment. At the present time, most parts of Siberia, and especially the Altai division, contain hundreds of communes where the lands are already overcrowded. Incorporation in these communes, of which lists are compiled and published every year, is strictly prohibited. As settlers on the communal lands of the old residents undertake none of the duties of the pioneer, they receive neither monetary nor other assistance; and the payment for incorporation is high, sometimes amounting to fifty dollars for a single person. The acceptance of new settlers must also be approved by the head man of the commune and not less than two-thirds of the members; and the immigrant must first be released from his communal obligations at home, paying up all arrears of land-tax, and removing or providing for his dependents.

On the shores of Lake Baikal the colonization of what may be called Old Siberia ends. But farther east, on the banks of the Amour and Ussuri, lies a more promising country still, which has evoked the praises of all Western travellers, and which dazzles with its fabulous riches the imagination of the Russian peasant. But here, as in Western and Central Siberia, the greater part of the more fertile land has already been occupied. In the old settlements there now remains only sufficient land for about 2,000 families, and on these the authorities settle immigrants without the preliminary consent of the old residents. The other free lands available for settlement lie to the north and east of Blagovestchensk, between the Zeya and Bureya affluents of the Amour; but even in this

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limited district the most fertile land is already settled. In 1899 additional lots were opened on the north of the Tom, a westward-flowing affluent of the Zeya; and here immigrants are allowed to choose their own allotments, subject as elsewhere to the approval of the authorities. This is a rich black earth district, flat near the Amour, but with a hilly configuration as it recedes. The advantages of this district, as of the rest of the Amour and Ussuri, are the high and constant prices of all kinds of produce — wheaten flour rising to one dollar, and meat to two and a half dollars a *pood* — and the great demand for labor which enables the settlers to supplement the scanty profits which they derive from agriculture.

Chita, Stretensk, and Blagovestchensk are the emigration centres of the Amour. These towns were formerly very difficult of access from the West, a distance of 440 miles having to be traversed by a hilly and difficult track to Chita, the capital of the Trans-Baikal. The construction of the Trans-Baikal railway has, however, abolished this mode of transit, and Chita may now be reached by train, the emigrants thence descending the Shilka on rafts. Other emigrants travel by train to Mitrofanof, about ninety-three miles farther, where steamer navigation begins. The extension to Stretensk, although nominally completed, owing to the absence of rolling stock, and other deficiencies, is not yet fit to cope with heavy traffic, and only a small proportion of emigrants travel so far by rail. The journey from Stretensk to Blagovestchensk takes five days. The delays and extortion of the steamship companies until lately were the subject of bitter complaint by the emigrants; the captain of one of the tug-boats on one occasion even cutting an emigrant barge adrift in order to take back to Chita a more valuable cargo.

The emigration centres of the Ussuri country are Vladivostock, Nikolsk, and Khabarovsk, and on both the Northern and Southern Ussuri lots are now open for settlement. The northern lots lie to the south of Khabarovsk, along the Khor and Kiya affluents. The country here is hilly and well wooded and the soil fertile, and there are excellent facilities for the sale of produce, the value of which increases as one goes east. Meat here costs $3.50 a *pood*. Settlement on the Southern Ussuri is restricted to the land lying between the sea, Lake Hanka and the Chinese frontier, and the rivers Ulakha and Sudzuka. All the best land at Lake Hanka is already occupied, but the settlements have large quantities of superfluous land. At this point the soil is black earth, and wood is deficient. The other districts are hilly and wooded.

Emigration to the Ussuri is largely carried out by means of the

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Odessa-Vladivostock Volunteer Fleet. The emigration authorities estimate every year the number of settlers for whom land can be found, modifying their estimates by the capacity of the transports, which are required to carry not only emigrants, but also troops, material for the Ussuri railway, which is still cut off from the main line of the Siberian railway, and exiles for the Island of Saghalien. Peasants desirous of emigrating to the Ussuri must first obtain a permit from the Governor of their province, and permits are not given except to skilled farmers and prosperous men. These emigrants are required to pay for the transport of their families, which costs on an average from $200 to $225, and in addition to lodge with the authorities a sum of $150, which is returned to them on arrival. From 4,000 to 5,000 emigrants adopt this route every year. Although the accommodation on the fleet is beyond comparison superior to that of the steamers and barges of the Siberian rivers, the length of the voyage, some 13,000 miles, the uncleanliness, overcrowding, and prolonged confinement, combined with the sudden changes of climate, result in a heavy mortality compared with that of the railway route. The cost of transport on the Volunteer Fleet is also high, being with provisions about $40 a head, while the journey from Moscow to Stretensk by rail, and thence by steamer to Khabarovsk, including provisions, costs less than $12.50. The land route is also nearly three times shorter, so that it is probable that the Volunteer Fleet will soon have to find another source of income than emigrant traffic, and the partial supercession of the steamer is likely to exert on the Russian mercantile marine an influence which the Government by no means desires.

The population of the Amour and Ussuri, which passed into Russian hands less than half a century ago, is now composed of about 100,000 ordinary settlers and 30,000 Cossacks. In natural advantages there is little to choose between the two districts, although winter on the Amour is colder and lasts a month longer than on the Ussuri, the rough climate with its comparative absence of snow precluding the possibility of raising winter crops. Winter wheat is grown only among the woods. On the Upper Amour agriculture is hampered by the prevalence of severe morning frosts, which are met with as early as August. The climate of the Zeisk-Bureysk district, however, favors a greater variety of crops; the agricultural conditions to a great extent resembling those of Northern Manchuria. Though wood for fuel is plentiful in all the settled localities of the Amour and Ussuri, the destruction of the forests has resulted in a scarcity of building wood in many districts. The heavy rains of summer are another great inconvenience to Russians who are accustomed

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to autumn rains at home. Horses also are dear, and heavy losses are caused by the Siberian plague. The settlers regard inoculation, which is the only effective preventive against this disease, with distrust.

Although considerable difficulty still exists in reaching many of the actual lots which are now being settled, communication with all the great centres of Siberian colonization is now very easy; and the railway fares, both for pioneers and for actual emigrants, are trifling, working out at about one cent for ten miles. It is now possible for the pioneer to travel from Moscow to Omsk, a distance of 1,870 miles, taking eight days, for a fare of two dollars, and to Tulun, where the emigrant detrains for the Nizhneudinsk steppe lots — a distance of 3,162 miles from Moscow, taking 13½ days — for less than three dollars. Unfortunately for the emigrants, however, the railway fare represents but an inconsiderable fraction of the cost; and the transport of a whole family and its settlement on the land is estimated to entail an expense of $35 for the province of Tobolsk and $50 for the province of Tomsk. Where railway communication ends, sometimes long journeys must be made by steamer or by road, and both these means of transport are comparatively dear.

Thus the emigrant to the Akmolinsk steppe-lands, after detraining at Petropavlovsk, must travel 305 miles by the track before reaching his destination; and, although several of the settlers bring their own horses from Russia, most are obliged to hire or purchase conveyances on the spot. The cost of this increases as they go east, a pair of horses and two country carts costing $150 on the Amour. The Minusinsk hill-lands on the Yenesei also lie several hundred miles from the railway, some emigrants detraining at Atchinsk, while others go by train to Krasnoyarsk, and take steamer on the Yenesei; the journey from Krasnoyarsk to Minusinsk taking three days and costing half a dollar a day. The forest lands of Tobolsk are reached from Omsk, from which station the emigrants steam for two days down the Irtish to Tara. Emigrants from Northeastern Russia still go by the old Perm-Tiumen route, and thence by steamer to Tara. The forest lots in Tomsk are very scattered, and emigrants detrain either at Mariinsk or Tomsk, about 10½ days from Moscow. Kansk, which lies twelve days from Moscow, is the centre of the Yenesei forest settlements; and the Irkutsk forest lands are reached from Nizhneudinsk or Tulun. Of the methods and cost of transport to the settlements on the Amour and Ussuri I have already spoken.

The above description of the free Siberian lands and of the system upon which they are now being peopled applies only to the regular or certificated emigrants, who have discharged all their communal obliga-

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tions in Russia, and whose settlement in their new homes is under the immediate supervision of the administrative authorities. In addition to these there is a very considerable element of irregular immigrants, who form at first the landless proletariat of the country, and afterward play a very important and beneficial part in its economic life. Though the policy of the Russian Government, especially since 1897, has been to keep at home all families whose resources and working power are insufficient to cope with the difficult conditions of Siberian life, the measures taken to this end are largely ineffective, and the number of peasants who have left their homes surreptitiously, without observing the necessary formalities, tends to increase every year. A large proportion of these emigrants are intercepted on the way, and sent back to their villages on foot, as is done every day with the peasants discovered without passports in the great towns of Russia. But immense numbers succeed in entering Siberia by unrecognized routes, and now in every town and trading settlement, as well as in most of the villages from Tchelabinsk to Lake Baikal, are hundreds of these unofficial emigrants, who, being unable to acquire land for farming, occupy the positions of domestic servants, drivers, and day laborers, or engage in petty trading operations.

As in April and May, the time of high water in the immigrant stream, a great demand arises for temporary labor, they find no difficulty in obtaining employment; and on the subsidence of the immigration wave they migrate to the villages, where labor for harvest work is equally scarce. Being unable to settle on the Crown lands, they seek to attach themselves to the communes of the old settlers; but this step, as I have elsewhere explained, is a costly one, and they are therefore compelled to live unattached for years, migrating periodically from town to country and from country to town, until they have saved sufficient to enter the communes as regular members. The number of settlers of this type living in the villages or belonging to the lowest rank of the urban population cannot be estimated; but in 1897 no less than 1,000 were attached by imperial decree to the communal lands in the Altai division alone.

The opinion of the best authorities is that by their thrift, and the discipline and knowledge of local conditions which they acquire in their days of servitude, these irregular immigrants form one of the most hopeful elements in the Siberian population. That this view is shared by the authorities may be concluded from the fact that the Siberian Committee lately recommended that their return to Russia was undesirable. The cost of emigration more often than not represents the savings of years; and whether the emigrants remain in the colony, or return home disillu-

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sioned, in most cases they must begin their lives anew. Many authorities now recommend that as long as free lots remain they should be divided among these irregular immigrants after the needs of the authorized immigrants have been satisfied. But as such a measure would probably lead to all the paupers and vagabonds of Russia thronging into the colony, it is hardly likely to be adopted.

The number of unauthorized emigrants who return to Russia every year is very large, constituting about thirty per cent of the total number who return. The seventy per cent of regular emigrants who return may be divided into three classes: (1) returning pioneers who have failed to discover satisfactory lots; (2) pioneers who have obtained land but have failed to settle; and (3) settlers who have been established in the country for more than one season, but have failed to make their way. The pioneers who return owing to failure to obtain land divide in their turn into two classes, some having examined lots in several districts, and found none suitable, while many others, after consultation with the officials at the Emigration Depots, return home without even having made an examination of the land. The latter are almost invariably peasants who have left their homes bewitched by the current tales as to the boundless wealth of Siberia, and who are discouraged at the first glimpse of the truth. Of the pioneers who examine the land many fail to find suitable lots owing to ignorance of the primary condition of emigration — that they should settle under conditions similar to those to which they have been accustomed at home.

But, whatever be the cause, only a small proportion of the pioneers who enter Siberia decide to remain there. In 1897, out of 16,000 pioneers who crossed the Urals, 11,000 returned home; and in 1898, out of 50,000 pioneers 36,000 returned, only 14,000 deciding to remain. In the first nine months of 1899 as many as 32,908 pioneers left Russia, but only 9,287 determined to emigrate, the remaining 23,600 preferring their state at home. It would be a mistake, however, to set these figures down to the discredit of Siberia as a colony; for an analysis of the motives of the returning pioneers shows that only a small proportion were influenced by dissatisfaction with the country. "Administrative reasons" accounted for thirty per cent of those who returned; twenty-one per cent were deterred from emigrating by the high price which was demanded for incorporation in the communes of the old settlers; while only nine per cent returned for "economic reasons," and seven per cent owing to "natural conditions." The fundamental cause seems to have been that the number of lots ready at any one time is insufficient. In addition to the

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pioneers who decided not to emigrate, there returned to Russia in the first six months of 1899 no less than 38,268 souls, nearly all of whom had lived in the colony for several years, and had failed to settle on a durable basis.

That the disadvantages of Siberia as a colony which I have mentioned incidentally — the deficiency of wood, the absence of markets, the difficulty of obtaining work in winter, and the losses from insects and disease — combine to make settlement in Siberia much less attractive for the Russian peasant than is generally supposed, the statistics of returning emigrants sufficiently show. The returns of the tax collectors seem to point to the same conclusion. Notwithstanding the various exemptions and grants of assistance, the indebtedness of the settlers for government taxes increases every year, and Siberia is now beyond all comparison the most deeply indebted part of the Russian Empire.

Recent comparative statistics on this subject are not procurable; but an analysis published by the well-known authority Professor Karishef shows that the average indebtedness of Siberia for government taxes in the period 1889–94 was nearly twice as great as that of European Russia. The arrears due on all years up to 1888 amounted to 88.6 per cent of the yearly assessment, and in 1894 they had risen to 182.3 per cent of the yearly assessment, an increase of indebtedness amounting to nearly 100 per cent of the assessment. In 1889 the proportion of the year's taxes remaining unpaid was 8.6 per cent of the assessment, but in 1892 it rose to 25.6 per cent, falling somewhat in the following two years. Professor Karishef attributes this immense increase of indebtedness to the defects of the system of taxation; not merely because the system is bad in itself, but because the assessment is incommensurate with the resources of the settlers, if regard is paid to the absence of remunerative work and the long period necessary to obtain a prosperous footing on the land. In other words, a system of taxation which is tolerable in European Russia is altogether beyond the strength of the Siberians at the present stage of the development of the country.

But all drawbacks notwithstanding, the population of Siberia has more than doubled itself within the last forty years. Since it has been found that the natural increase of the convict population is inconsiderable, the greater part of this increase must be attributed to immigration and to the natural increase of the free inhabitants. How long the increase will continue at this rate it is impossible to predict; but if the present flood of immigrants, exceeding 200,000 a year, should continue, the population forty years hence will be much more than double its pres-

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ent strength. It is probable, however, that when the limited area of cultivable land now available is occupied, immigration will decline, or will increase only commensurately with the development of the mineral and industrial resources of the country. That a vast expanse of country may be considered nearly fully peopled when occupied by a small population seems to be shown from the figures relating to the province of Tobolsk, the population of which increased in forty years less than forty per cent, while the population of the adjacent province of Tomsk has trebled in the same period. These figures seem to show that forty years ago Tobolsk contained nearly as many inhabitants as it could sustain under agricultural conditions, the immigrant flood since that time being forced farther east, owing to the difficulty of obtaining cultivable land.

With the gradual filling up of the land, exile vanished from Western Siberia, and at the beginning of the present year it was, with a few exceptions, abolished altogether. The system played, although unintentionally, an important part in the opening of the country. The civic prosperity of the colony demands more ordered and conscious efforts, and now, not only for the criminal convict, but for the outcast of the commune, and for the very poorest peasant, Siberia no longer extends its old hope of regeneration and prosperity. It is recognized that the future development of the country must be the work of a stronger and more laborious class, equipped with sufficient monetary resources, and fortified with higher ideals than the mere instinctive desire to escape from the burdensome conditions of life at home. This change of conditions was inevitable in Siberia, and it is very loudly insisted upon in all the later publications of the Russian Emigration Department. Indeed, the only consideration which prevents the establishment in the colony of a proprietary class who would receive large grants of land, and be liable to carry out improvements within a limited period, is the fact that such a measure, when tried some years ago in Orenburg and in the Caucasus, was seen to be impracticable. It was found that the new landlords abused their property for purposes of speculation, and that the measure invariably ended in the subdivision of the property, and its transfer into peasant hands. It is not likely that the adoption of such a scheme in Siberia would meet with any greater success. R. E. C. Long.

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THE SOUTH AFRICA OF TO-MORROW.

THE South Africa of a hundred years hence is as much a matter of pure conjecture as the America of the same period. In the conditions of that time we of to-day have no direct personal interest. With the South Africa of the present generation and its successor we have some concern. Prophecy is futile, but there is warrant for a consideration of probable developments regarded in the light of known conditions. In the light of such conditions, it is safe to say that many years must pass before the territory which England has recently annexed as a result of the war in South Africa can become far removed from a state of primeval desolation. Two generations were required to make this region what it was prior to the outbreak of the war. It was then a combination of a few mining camps, two or three of which attained the dignity of small cities, and an area of some 167,000 square miles supporting a white population, outside of those engaged in the mining camps, of probably not over 175,000.

At the beginning of the last century, the white population of the whole of South Africa was estimated at about 25,000. A century of natural increase and of immigration from England, Germany, Holland, Portugal, and elsewhere saw this number raised to about 750,000. The occupied area in the year 1900 covered 1,500,000 square miles, and included governments by English, Germans, Portuguese, and those descendants from the Dutch and the French whom we know as the Boers. Of the 750,000 people, one-half, consisting of English and the descendants of Dutch and French, were residents in Cape Colony, on an area of 221,311 square miles, averaging a population of about 1.7 to the square mile. Two-thirds of the remainder were credited to the Transvaal, and included probably 125,000 who could rightly be called transients. The latter were men of all classes and grades of society, drawn to the region in the hope of becoming rich through its gold deposits, and with no intention of settling permanently in the country or of adopting it as a home, politically or otherwise. These, with their fellows in other mining camps of South Africa, in Kimberley, Rhodesia, and the

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then Orange Free State, were the *uitlanders* of the Transvaal, and the equivalent of *uitlanders* in the other districts.

A rough approximation from these figures gives a South African area, under English or Continental rule, of nearly 1,250,000 square miles, with a white population of about one person to every six square miles. This represents a century of general development in South Africa. The calculation is quite legitimate. I leave out nothing but Cape Colony, the oldest and most populous section, with its 1.7 of population to the square mile, and that which is quite distinctly a transient population connected with the mining industry. The remainder, with its vast area and its limited population, is the real South Africa.

The development of new countries proceeds along certain lines in response to certain laws. Three primary conditions are requisite. There must be: (1) The possibility of producing something which is required or desired in the world's markets; (2) the possibility of placing such productions in the world's markets in competition with other producing centres; and (3) a producing population.

Until the markets of the world find for the possible products of South Africa a greater need than that which exists to-day, that land may be excluded as a factor in competition, by reason of its natural conditions, and the fact that those conditions present no warrant for any early extension of transportation facilities sufficient to place its products in the general market. This must inevitably affect the question of an immigrant population, inasmuch as the object of emigration is a betterment of conditions. A new home in a strange land must offer some fair prospect of such betterment before any considerable tide of immigration can be anticipated.

Around its eastern and southeastern border, South Africa shows a coast strip of tropical and sub-tropical country. Tropical fruits, sugar, tea, coffee, tobacco, rice, and the common vegetables of all lands, are among its present productions. But there is no specialty, and in the raising of none of these is there any manifest advantage over lands which are more readily accessible to the market. Before a large part of this area could be made available in any way, there must be devised some means of stamping out the deadly fevers which prevail, notably in the more northerly sections.

Behind this coast strip, which includes barely ten per cent of the South African area, there runs, virtually paralleling the coast for a distance of 1,600 miles, the abrupt and rugged wall of the Drakensberg, or Quathlamba. These mountains rise from 6,000 to 12,000 feet above sea

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level. To the west of them, there lies the great South African interior. Cape Town, Durban, and their surrounding country are in South Africa rather than of it. Behind these mountains lies the central plateau, the great veldt, the real South Africa. This stretches westward for hundreds of miles, until it slopes, somewhat gradually, to the Atlantic coast. Its western area includes the barren wilderness of Damara and Namaqualand. The real South Africa begins in Cape Colony, and runs northward for more than a thousand miles, when it sinks into the heart of the great continent. If asked to name its chief characteristics, I should mention its loneliness and desolation.

As the early New England settlers sought an inhospitable coast in a new land that they might escape a condition which they regarded as religious oppression, so did the Boers leave the more fruitful and more habitable land of Cape Colony to escape what to them was political oppression. With some coincidence of motive for their movement the comparison stops. The Pilgrims had the advantage of a water front, which meant not only ready transportation, but, as well, the special industries of fishing and ship-building. In climatic conditions the trekking Boer had a distinct advantage over the Pilgrim. In the supply of timber for his many needs and uses the Pilgrim had all the advantage. One group fought its many disadvantages, grew, and developed. The other yielded to conditions, and became — Boers.

As the Boer of to-day is largely a product of environment, it is a reasonable prediction that those who inhabit the same region in the future will be much as he has been, until there is open to the people of the land a desirable market as a stimulus to more active industry. Production is useless unless there is provided the means of a fairly profitable disposition of the product. To gridiron with railways an area of 1,500,000 square miles of such country purely as a development scheme would involve a real estate and railway speculation beyond anything yet undertaken in the world of finance. Such a scheme would also entail an irrigation system which would make anything yet undertaken in our own West seem like child's play.

No fair comparison lies between the development of South Africa and that of the mining country of Colorado or California. In those States, fifty years of labor have turned mining districts into ranches, farms, and gardens; into health and pleasure resorts; and into manufacturing centres whose investments and profits outstrip those of mining enterprises. But the natural conditions of those districts were wholly different from those presented by the South African veldt. What is

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known as South Africa covers an area practically equivalent to the sum of that of the following States and Territories: Washington, Oregon, California, Nevada, Utah, Idaho, Montana, Wyoming, Colorado, New Mexico, Arizona, and Texas. Cape Colony and its dependencies cover an area more than four-fifths of that of Texas. This portion of the United States to-day shows a population of upward of 7,000,000. This is the work of fifty years. But the world needed the endless variety and the vast quantity of the products of that section, and the section could place its products in the market in successful competition with those of other districts. The tide of immigration has rolled into that part of the United States because of the inducements offered to the home-seeker, by reason of possible production and distribution. Railroads have stimulated settlement, and settlement has led to an increase in railroads and railroad facilities. South Africa offers scant inducement to either railroad or settler, to essay the hand-in-hand march which has made America's great Western frontier. South Africa may produce gold and diamonds for the enrichment of the few. It is handicapped in the production of corn, cotton, wheat, beans, and potatoes, for the enrichment of the many.

Mining, as a distinct industry, attracts and provides for no more than a comparatively limited population. In South Africa, nearly all the manual, and practically all the unskilled, labor required in the mines is done by Kaffirs at prices and under conditions which make no appeal to the white man. Nor is it in any way likely that mine managers will make any change in this system because of any change in the form of government. It is officially reported that in 1898 there were 12,413 whites employed in the mines of the Transvaal. Upon that basis it is probable that a total of from 15,000 to 16,000 would cover all so engaged in South Africa, including the Transvaal, Rhodesia, the Orange Free State, and Kimberley. In 1897, reports from fifty of the leading companies engaged in mining showed that 54 per cent of their white employés were single men, 33 per cent were married men whose families were non-resident, while only 13 per cent represented resident families. It may be said, then, that the South African mines directly support a resident white population of probably less than 25,000. No marked probability appears of any very great increase in the early future. Those indirectly supported, such as merchants, traders, and their clerks and employés, are in much greater number.

But at no time and under no conditions now probable may we look for anything other than a comparatively limited population directly or

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indirectly dependent upon gold and diamond mining operations in South Africa. It would appear an extravagant estimate to set any such possible population within the next fifty years as high as 500,000 souls, men, women, and children included. Nor is it possible to regard even this as a permanent population, or mining as a permanent industry. The greater part of the white population of the Transvaal before the war would not have been there but for the mines, and there is a limit to the life of mines. It is estimated by experts that fifty years of work, at the rate of the output prior to the suspension caused by the war, will exhaust the deposits of the Witwatersrand, the chief gold-mining centre. Other mines will doubtless be discovered; but inasmuch as a great deal of very diligent prospecting has been carried on for the last twenty years, it may be doubted if a second Witwatersrand will be discovered, though such discovery remains a possibility.

Other mining industries are also among possibilities. Coal, of available though inferior quality, is known to underlie large areas throughout South Africa. Copper appears, and has been worked, in Namaqualand and Damaraland. It also appears in parts of the Transvaal. Cinnabar occurs in the Transvaal, east and west. Nickel is reported in Zululand, and tin in Swaziland. Galena mines are reported from several districts. Iron, as magnetite, red iron ore, specular, and hematite, appears widely distributed. Manganese, zinc, antimony, and cobalt are also in evidence. The commercial value of any of these deposits remains for determination by more ample and effective investigation than has yet been given them. The coal is of local use and value for steam-making purposes in the present mining operations, on railways, and in such limited manufacturing establishments as are in operation and require fuel. Some day the iron may come into service for special purposes in foundries for rough iron work; but it may be assumed that years will elapse ere any local demand will come to warrant extensive operations in its manufacture or mining. By far the greater part of the iron and steel now used, and likely to be used, is in the form of special machinery, which can be imported from foreign factories much more cheaply than it could possibly be made on the spot.

Even assuming the apparently extravagant figure of 500,000 as a possible population which produces nothing for its own use and consumption, such as food and clothing, it remains that 1,500,000 square miles constitute a very large farm from which to supply the requirements of a population equal to no more than that of a large city. South Africa has not, and presents no immediate probability of having, an ex-

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tensive local market to offer the farm settler as an inducement to undergo the expense and the struggle which he must encounter. Other lands are open at a smaller outlay, with offers of greater promise and easier conditions.

In the line of manufacturing, little has been done, and there is little encouragement for increase. There are a number of small local flour mills, a few bakeries, breweries, canning establishments, iron foundries, brick works, potteries, and match factories; but all are on a small scale, and cater only to local trade. Cape Colony has a fair supply of timber for special purposes, and carriage building is an industry there which employs from 3,000 to 4,000 hands. Throughout the country at large the absence of forests makes wood-working impossible. Woollen manufacturing is a possibility. No less than $10,000,000 worth of wool was exported in 1899. The country now exports its wool and imports its woollen goods. The hide export of 1899 amounted to a value of $2,000,000, while considerable hide stock was locally used in boot and shoe manufacturing. But these and such other manufactures as find establishment in the region are for local trade, and of small capacity. Moreover, being amply supplied with local labor, they offer no encouragement to the immigrant who is dependent upon his daily wage for his support. The dearth of raw material and the limited population preclude any probability that within any brief period South Africa will either export her manufactures or need hands to assist in supplying her local market.

The mining industry affords special opportunities to the capitalist and the investor. It offers a few well-paid positions to trained intelligence and to skilled labor. A general manager may draw a salary of between $500 and $1,000 per month; a mechanical engineer may draw from $200 to $300; a clerk from $100 to $200; a mine foreman from $150 to $200; and a good working mechanic from $100 to $150. But these positions are comparatively few in number; and, even if one be secured, the cost of living is so great as to leave little gain over a more poorly paid position at home. Large fortunes will be made, as they have been in the past, by those who have the money to make them. Here and there some one will strike a rich vein. But mining in South Africa, like mining in our own West, is getting well settled into a routine industry, limited in its scope and in the number of opportunities it offers to either the fortune-seeker or the home-seeker.

It is to the occupation and working of the land that we must look for the development of the country and for the increase of its population.

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A difficulty faces the intending settler immediately upon his arrival. Nine-tenths of South Africa is practically treeless. Probably 85 per cent of it is absolutely so if we exclude those growths, such as the mimosa, which have no value for building, and little as fuel. Shelter and fuel are only less imperative for the settler than food. Because of this scarcity of timber, his home must often be but a sod hut, or a mud-plastered rock wall with a galvanized-iron roof — small, rough, and uncomfortable. His fuel is likely to be limited to the dried dung of his oxen, if he has the oxen. Though snow rarely falls, the nights of a South African winter often bring a nipping cold. It is a cheerless home which lacks a tight frame and a good fire when the thermometer goes down to ten or fifteen degrees below freezing-point.

Some of the limitations of the land as a place for the farming immigrant or settler have already been indicated. The home market for his possible product is small; and an export market is practically out of the question for many years to come. Vegetable export cannot be counted upon, and there is little of grain land. The greater part of the South African area is arid, treeless, and marked by few watercourses of any volume, save in time of storm, when streams hitherto dry become furious torrents. The average annual rainfall in what is now the Orange River Colony is about eighteen inches. In the Transvaal it is a little above that; but a notable percentage of even so small an annual average comes as the sudden downpour of electrical storms. With proper irrigation the soil may be made wonderfully fertile. This process, however, would entail an outlay of capital which would find no warrant in prospective returns until the more favored sections of the world's surface are fully occupied, and the wants of the world increased to the point of crowding them.

The farming settler has much with which to contend besides his arid lands and the discomforts of life in a mud cabin. His foes are many. All are not found throughout the entire area, but all are there, some general and some local, though their area of operation and effect may be extensive. The chief of these are locusts, ants, horse and cattle disease, tsetse flies, and fever. The flight of a locust swarm is an amazing sight, any description of which suggests a Munchausen tale. I watched one swarm which was upward of three hours in passing the spot where I stood. How thick it was, from top to bottom, I do not know. It did not, like the arrow-flight of the warriors of old, "darken the sun," but it did materially modify the intensity of the sun's rays. As far as I could see, to right and to left, were locusts, locusts, locusts

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— millions upon millions of them. When a hungry company of these creatures settles down on a farmer's field it leaves little of his crop. Ants of various kind abound. Some are dangerous and destructive to property, like the white ant, which devours one's house and furniture; while others are only an abominable nuisance, like the small red ant, which permeates one's supply of provisions. Horse sickness attacks the horses, and the murrain and the tsetse fly attack the cattle. Fever prevails in the lowlands of the coast, though the central plateau is regarded as a healthful region in many respects. Typhoid and dysentery, however, have long been prevalent diseases in the interior; and it cannot be questioned that the ravages of typhoid, or enteric, fever among the troops will leave the land doubly germ-ridden; while the decayed carcasses of scores of thousands of horses and cattle, and all the excrement and refuse of the camps can but tend to render general conditions more unwholesome.

Ranching is one of the possibilities included in the catalogue of the South African "boomer." Sheep and goats have made men rich in Cape Colony. They do fairly well in certain sections farther north. But drouth, the devastation of wide areas by locusts, and the scanty herbage of the winter months would seem to preclude, for the present at least, any great promise in sheep-ranching, even for those who have the means to engage in it upon any scale which indicates possible profits. The same condition interferes with cattle raising. The South African ranchman does not estimate by the number of head of sheep or cattle to the acre, but by the number of acres required for each sheep, ox, or goat. In Cape Colony, the best district, this is said to be about six acres for each sheep.

These are the general conditions — a physical situation which must be faced by settlers in South Africa. But there are still further considerations in the question of South African development. The settlement of new countries and the increase of population in old countries by immigration are, to a considerable extent, matters of competition. Few emigrants go out wholly in the dark concerning the conditions to which they go. A vigorous booming might land hundreds, or even thousands, of settlers in South Africa. Their success or failure would soon be advertised. Others purposing to leave their homes for some new country would weigh the advantages and opportunities of this region against those of other lands which, for many years to come, will still remain open to the surplus thousands of overcrowded populations. Home-making in arid South Africa will be weighed against life in Canada, in the far West of

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America, in distant New Zealand and Australia, in hot North Borneo, and on the pampas of South America. Cuba offers homes and the promise of prosperity to several millions; Egypt, with its new system of irrigation, has attractions for others; the Argentine holds out possibilities of its own. South Africa has no monopoly of new lands or prospective wealth with which to tempt the intending emigrant. Enthusiasm may talk loudly of trade and population following the flag, and of a vast influx immediately upon the conclusion of hostilities in South Africa. Calmer judgment halts at such ready opinion, and notes that Canada, Australia, North Borneo, and even Cape Colony have been under the British flag for many years, and are not yet densely populated, though each of them offers greater promise of comfort and prosperity than does England's latest acquisition.

Political and social conditions will remain, for many years, important factors in the development of South Africa. The war has stimulated an existing race antagonism. More than one generation must elapse, even though England's flag shall fly throughout the whole country, ere English neighbor and Dutch neighbor will forgive and forget. Peace may be declared, but many years will pass ere real peace will come. The conquered will hate the conqueror, and the conqueror will triumph over the conquered and glory in his triumph, unless human nature can be changed by royal fiat. Boer and Briton are not of one blood, and the present struggle is but the culmination of nearly a century of antagonism. The intensification of the old bitterness will remain as a barrier to the peace and harmony of South Africa, until a new people shall arise who can forget Slachtersnek and Boomplatz, Amajuba and Ingogo, Ladysmith and Spionkop, Jameson and De Wet, Kruger and Chamberlain. This is not for the children of to-day, and it may not be for their children's children.

Many theories have been advanced concerning the methods by which these social and political differences are to be submerged or reconciled, internal peace established, and the country developed. Nearly all of them fail to give due consideration to the physical and economic difficulties which must be overcome. Population is the panacea most generally proclaimed, and many proposals are made for its supply. In the "Cape Times" of July 24, 1900, I found a letter from a local clergyman, who suggested the sending out of hundreds of boys and girls from England's charitable institutions to grow up with the country, and to infuse a new English life into the land with their growth to maturity. This is the key to the greater number of plans and schemes — a numer-

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ical submergence of the Dutch element by an influx of English. Some have looked to see troopers from Canada, from Australia, and from New Zealand abandon their life in those lands, and begin anew in a less promising field. State-aided emigration has had its advocates, and has found its opponents in other colonies who hold that if such a measure be adopted it should apply equally to all the colonies which help to constitute the British Empire.

The theorists who expect the early recuperation of South Africa overlook the important fact that a large percentage of the emigrants of to-day are those who go out with little or nothing save their hands, in the hope of finding employment in shop or field. South Africa has nothing for these, and will not have as long as the unskilled labor of Kaffirs can be hired at a price per month which would be less than an immigrant competitor would demand for a weekly wage. The employé argues the existence of an employer; and who, in this case, is that employer to be?

It has been proposed that inasmuch as England must for many years continue a military occupation of the conquered territory, there shall be selected for her garrisons such men as manifest an intention to remain permanently in the country. It is suggested that these, as soldier settlers or as settler soldiers, be set to work upon irrigation schemes, house building, and land cultivation. At the expiration of their term of service such men are to receive homesteads upon some duly specified terms. A year ago, Mr. Lionel Phillips, prominent in South Africa and in South African affairs, saw a solution of difficulties in productive public works, to be paid for by the issue and sale of bonds guaranteed by the English Government. This gentleman did not say whether he proposed to pay six shillings per day to English laborers for work which would be done by Kaffirs at one shilling. Scheme, plan, and suggestion have all been offered in endless variety. Nearly all suggest purely artificial methods of relief and development, for which some Government must pay.

For nearly a century there has been a condition of friction and bitterness, distrust upon one side and contempt on the other, with lack of mutual understanding upon both sides. The physical drawbacks of the region and the race antagonism of a century will require decades for their eradication. Here, as elsewhere, the pioneer type will yield to the pressure of modern times and modern institutions. The huge trek-wagon with its oxen will be supplanted by the railway; but for many years South African progress promises to move at the pace of the trek-wagon

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rather than at that of the railway or the telegraph. The fundamental reason for the slow development of the region in the past has lain in those adverse natural conditions which are here indicated. Unless these be changed by artificial means, the South Africa of to-morrow will be much the same as the South Africa of yesterday. Time and the general world-improvement will work many changes; but the prime factor will be time, and it is hopeless to leave that element out of consideration. Political change will come, perhaps, and probably, in the shape of a federated South Africa under the British flag, an institution not unlike that of Canada. There may come the Dominion of South Africa, and later, perhaps, a great South African Republic under its own flag. Under either the dream and aim of thousands would be attained — a political organization in which there would be neither Boer nor Briton, but in which all would be Africanders. ALBERT G. ROBINSON.

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THE OUTLOOK FOR PUBLIC OWNERSHIP.

ECONOMIC production is the chief means and end of civilized life; labor is the chief agent of production; and labor consists in moving things. This moving process consists in changing the place and the form of raw material and the place of the manufactured product. Transportation is the process of moving things in the restricted or simple sense. This industry was recognized in an early stage of civilization as a semi-public agency, and from early times it has been regulated by the common law of common carriers. The present enormous and complex system of transportation has grown up within the last fifty years — in the main within twenty years — as a result of the application of the motive power of steam and electricity. It is not surprising, therefore, that the status of this new force in the social system remains ill-defined and unsettled; and experience with this great agency of civilization, which within the period of a single generation has revolutionized social life, has been so brief as to afford but meagre aid in the great tasks of determining what those relations should be and of giving them practical effect.

But peculiar economic and political conditions in the United States are largely accountable for our tardiness and impotency in dealing with this great transportation question. Our original public sentiment and institutions were conceived of that individualistic force which produced the greatest of all social upheavals, the French Revolution, and were born into its almost undiluted atmosphere. The principle and spirit of personal liberty which were infused into our people with marvellous skill and thoroughness by Jefferson and Franklin resulted in the prevalent notion that competition was the effective regulator of all industrial relations and the cure-all of economic evils. This primitive preconception blinded the people to the need, and kept them from the study, of rational and practical methods of regulating railway traffic. So recently has this unfortunate preconception been repudiated generally by intelligent people, that Professor Ely has within the last few months thought it worth while, in a public discussion of the public-ownership question, to say:

"We may take as our starting-point the now generally recognized principle that

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it is necessary to regulate in the public interest monopolistic undertakings. This is admitted by substantially all scholars whose opinions deserve attention, and likewise quite generally by intelligent and fair-minded persons practically engaged in monopolistic enterprises. The general recognition of this principle itself indicates progress."[1]

Many of our leading industrial doctors have been so filled with confidence in the therapeutic potency of competition that they have advocated pooling, which is a coöperative agreement to stop competition so far as to avoid some of its worst evils, trusting that it would still persist, in some occult and subtle way, in the exercise of its corrective powers. Our inherent self-complacency and self-sufficiency, springing from the contemplation of our superior natural resources and the feeling that no artificial burdens or obstructions could prevent business success, are mainly accountable for our backwardness in the study of these grave transportation questions. We have been so long in learning the necessity of the public control of transportation interests that in the meantime they have gained mastery over the public itself. During the first period of our national existence we were absorbed in the discussion of the abstract principles of popular government, in establishing them in practical form, and in admiring the work and ourselves for our success in accomplishing it. Then followed the all-absorbing cognate questions of slavery, the civil war, and reconstruction, and then came the period of bounding industrial development, when any thought of economic rules or legal restraints was irksome.

On the other hand, the Governments of Europe, accustomed to the exercise of regulation and restraint in all departments of social life, and pressed by that necessity for safeguarding social rights and interests which inheres in dense populations, began from the first to consider and provide for the public control and regulation of railways. As early as 1854 the English Parliament, largely through the influence of Mr. Gladstone, passed an act for the regulation of railways which has been the basis of State and national regulative laws in this country. The amendatory English acts of 1873 and 1888 provided for a permanent railway commission whose powers were not much more than advisory, and which has depended for its effectiveness upon investigating railway administration and giving publicity to the results of its inquiries. It is significant that the assumption by the commission of the power to fix rates seems thus far to have been successfully disputed by the railways. And so the railways in this country have successfully resisted all at-

[1] "The Cosmopolitan" for February, 1901.

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tempts to provide for the fixing of rates under the general government; and this is true also in many of the States.

England affords the best example of the intensified public control of railways under private ownership and operation. Attainment under this system, such as it is, has been reached through fifty years of experiment. Belgium, on the other hand, stands as the best example of the public ownership system, the state having begun to build railways as early as 1834. From the first, therefore, the private roads in that country had to compete with those owned and operated by the state. As a result of this real competition, rates were kept down from the first to a competitive basis, and the whole system of railway traffic was equitably conducted. It followed naturally, I think, that the state should take over the private roads or else go out of the business altogether; and the former course was followed. Belgium has thus been working consistently and undeviatingly along public-ownership lines for more than sixty years. It must be conceded, I think, that the Belgian railway system is operated more equitably as regards the whole public and with less public corruption than the railways of any country of the world where private ownership prevails.

In the thirty years of complete public ownership in Prussia great improvement has been made over the previous system of private ownership; and as an independent proposition it may be fairly said that public ownership in Prussia, after this extended test, has proved successful. While experience in Australia has not been as long or as thorough as in Belgium and Prussia, yet, after no mean trial by the several commonwealths, it seems to be regarded as a matter of course that the Government of the lately formed Confederation of the commonwealths will continue and develop the public-ownership system. In 1899, the people of Switzerland voted at a referendum in favor of the purchase of the five principal lines by the state. The purchase may not be completed until 1903. In Germany the railways are, with few exceptions, owned by the several states comprising the federated empire. In Italy the state has owned the railways since 1879; but in 1885 they were leased to three private companies for a term of sixty years. This lease may be terminated by either party at the end of any twenty-year period of the full term. The demoralized and almost hopeless condition of Italian finances has made it impossible for that country to carry on the railway system for some years to come. In France the government ownership of all railways may be assumed in the year 1950. In both France and Italy the railway system is operated in close relation — approaching a

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partnership — with the Government. In Russia the Government operates about sixty per cent of the railways. In general, Government ownership prevails in Continental Europe, Australia, and India, and the present tendency appears to be toward complete public ownership. The countries of importance which stand aloof from the public ownership of railways are Great Britain, Canada, and the United States.

It is contended that traditional Anglo-Saxon conservatism and level-headedness keep these great English-speaking countries from adopting the radical and socialistic policy of public ownership. But this conclusion is drawn from a superficial view. Thus Great Britain, which so far has stood out against the public ownership of railways, is most conspicuous among the countries of Europe for its progress in municipal ownership, and also in municipal trading, which involves the public operation of ordinary non-monopolistic business enterprises. This whole matter is primarily in charge of a Joint Committee of the two Houses of Parliament, which has been going about from city to city making minute investigation of the condition of these public business enterprises. A writer in the "Journal of Political Economy," in commenting upon the facts disclosed by a recent report of this committee, says: "It is startling to see to what degree socialism has in practice supplanted individualism, despite the reaffirmation in Britain of individualistic themes."

This statement is sustained by a summary of the facts of the report. Distributed throughout England and Wales there are 265 municipalities engaged in productive undertakings, and in Scotland there are 74. All told there are on the island 749 municipalities, and 339, or nearly half of these, carry on corporate industries. Scores of towns and rural districts are supplied by the municipal trading companies. The industries in question include water-works, gas-works, electric lighting, street railways, working-men's dwellings, model lodging-houses, baths and wash-houses, piers, quays, garbage plants, abattoirs, insurance, manufacture and sale of ice, cold storage; shops, bazars, saloons, etc., on recreation grounds; museums, crematories, etc. There is invested in these enterprises a sum amounting to nearly $500,000,000, of which 94 per cent is borrowed. The annual expenditure authorized by Parliament and the Local Government Board for purposes of this character has increased from an average of $25,000,000 in 1890 to $155,000,000 in 1900.

A writer in the "Edinburgh Review" discusses the struggle going on in the United Kingdom to secure the extension of municipal ownership and operation beyond so-called natural monopolies into the field of ordi-

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nary industrial enterprises; the public ownership of the monopolistic class of industries being regarded as a settled policy. It appears that the Lord Provost of Glasgow suggested to the Parliamentary Committee that

"the municipalities might safely be entrusted with, but confined to, the supply of things which were in their nature suitable to a monopoly, which were articles of necessity, and which required control of the streets or portion of the public property of the municipality. Water is a necessity. No one wants two systems of water supply in the same area. And water supply involves uses of the streets. So with tramways [street railways], where competition in the same area is not desirable. So with gas . . . and electricity. Similar conditions apply, perhaps not with precisely the same force, but nevertheless with sufficient force, in the case of markets, slaughter-houses, public baths, and cemeteries. They do not apply in case of bathing tents, refreshment-rooms, or refrigerators."[1]

The writer of the article criticises the vacillating course of Parliament, and complains that

"until some principle is authoritatively laid down we may expect that . . . the promoters of private undertakings will not be able to discover what doors are open to them, what are ajar, and what indisputably closed."

It appears that there has been

"Allowed and encouraged a growth of municipal enterprise which is greatly in advance of other countries," and "a purity of method which is far from being reached on the other side of the Atlantic. . . . The magnitude of the increase of responsibility which has resulted may be appreciated when it is remembered that whereas between 1875 and 1898 the national debt was reduced by £130,000,000, the local debt was during the same period increased by £170,000,000."

Not only is the municipal operation of these business concerns for municipal purposes rapidly spreading, but there is a tendency on the part of the cities to extend service from municipal plants to outside areas for business profit, the charges being higher than they are within the municipal limits. So far the telephone service has been a monopoly of the Post Office department, but has been leased to a private corporation, the National Telephone Company, for operation. But this half-way method has been so unsatisfactory that the cities, notably Glasgow, are forcing Parliament to grant concessions for municipal telephone plants; and there seems to be a good prospect that this movement will result in a penny telephone system throughout the kingdom. The principle of the public ownership of monopolistic industries is recognized by Parliament as settled. The state has encouraged municipal action within these limits, and has in turn discouraged private ownership by the refusal of parliamentary concessions for a period of more than forty-two years, at the end of which time the municipalities have an option of purchase practi-

[1] The "Edinburgh Review" for October, 1900.

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cally free from any obligation to pay for good-will. Accordingly, they are gradually occupying the whole field to the exclusion of private enterprise.

In this country the growth of the public ownership of water-works and lighting plants has taken place mainly during the last twenty years, and has been very rapid. Within that time the municipal ownership of electric-lighting plants has grown from nothing to about 400, and more than half of the municipalities of the country now own their water-works.

Now the same reasons by which municipal ownership is justified apply with equal force to the public ownership of railways, though the objections urged against public ownership in general are doubtless stronger in the case of the railways than in that of municipal industries. These objections are moral and economic in their character. The strongest argument, perhaps, in favor of the public ownership of street railways, water-works, etc., is the inevitable corruption of municipal government by the private corporate owners of these concerns; but this argument may be even more strongly urged against private railway and telegraph corporations for their corrupting influence over all Governments, municipal, State, and national. The contention of Mr. Loud, while chairman of the Post Office committee of the House of Representatives, that our Post Office system might be operated under good management at $40,000,000 a year less than the present expenditure, has been urged as an argument in favor of the private ownership of the postal service. But in view of the charges that have been made, both in and out of Congress, of grossly excessive rates which have been paid by the Post Office department for railway service, which is explained, of course, by the old, old story of the improper political influence of railroad corporations, the complaint of the extravagant cost of the postal service becomes an argument for the public ownership of the railroads rather than an argument for the private ownership of the postal service.

Opinions of special students of sociology and economics touching these momentous questions are obviously entitled to great weight, on account of the peculiar disinterestedness as well as the ability and thoroughness of their investigations. Recent discussions of the trust and public ownership questions, which are of not distant kin, by economists of recognized standing, and fairly within the pale of orthodoxy, like Professors Ely, Jenks, and Bullock, are cautious and temperate, as we should expect them to be. Yet the spirit of progressiveness and adaptation to actual conditions which pervades them is significant,

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and may be almost shocking to those over-solicitous souls, becoming very numerous even in this new country, who are so blinded by selfishness as not to be able to see that the attempt rigidly to preserve the regular order is in reality the most shortsighted and dangerous course they can pursue. Professors Jenks and Bullock have found that industrial combinations have been able to control production — that is, to restrain competition — to such an extent as to enable them materially to raise the prices of products. Professor Bullock points out, with fine sarcasm, the contradictory contentions of the trustees that trusts are necessary to stop competition which has been proven to be wasteful and generally pernicious, while they maintain that the spirit of the eliminated corrective agency, which they call "potential competition," is still skulking around somewhere, with power to act, and that it will certainly be evoked by the groans of the victimized consumer whenever the trustees twist the thumb-screws of monopoly tighter than "the traffic will bear."

In discussing this phase of the question some time ago, I remarked that from the standpoint of the competitive system the evils incident to trusts are an economic disease with epidemic characteristics, and that, like the yellow jack or the Philippine insurrection, while it seems to be dying out in one spot it may be breaking out in a dozen other places. And Professor Bullock hits off this "sweet by-and-by" corrective of potential competition by remarking that however effective it may prove ultimately, there remains what Mr. Dooley has aptly called "the annoyance of the meantime." I have lugged in the everlasting trust question for the purpose of showing that leading economic thinkers, no less than public opinion generally, refuse thus far to accede to the contention that the present tendency to industrial monopoly may properly be left without positive legal restraint or regulation.

Leading writers on public ownership, such as Dr. Albert Shaw and Professor Ely, lay much stress upon "the terrible corruption in cities which dates from the rise of private corporations in control of natural monopolies." Professor Ely states as a serious objection to the principle of mere public control that

"as soon as public control becomes far-reaching the benefits of private property begin to disappear, and the more far-reaching the control the greater the diminution in the advantages resulting from private property. The owners of private property are then made responsible in their own pockets for failure or success, but they cannot pursue that policy which may appear to them expedient; they are made responsible for the results of a policy dictated by a third party."[1]

[1] The "Cosmopolitan Magazine" for February, 1901.

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From this condition public or political corruption follows, both from the public and the private side:

"Corporations have much to say about being 'sand-bagged.' There can be no doubt that there is something in their allegations. The recognition of the principle of control opens the door to all sorts of raids upon private property of the kind under consideration. . . . *On the other hand, there can be no doubt whatever that* corruption frequently proceeds from the side of corporations. . . . When these regulations are proposed corrupt measures are adopted to ward them off. . . . The property of private corporations is widely distributed by means of stocks and bonds. . . . It is said that in Philadelphia there are 75,000 persons who participate in the ownership of corporations of a monopolistic character furnishing what we are generally beginning to call public utilities. This is an immense force working against good government."

Professor Ely also points out that since all people are directly interested in the efficient service of public utilities, public ownership carries home to everyone the importance of good government, and arrays on that side the strong classes now so indifferent. He observes that municipal government in England has improved during the last fifty years under increased public ownership.

In a symposium of articles on the effect of railroad and other industrial combinations contributed by leading railway and trust "magnates," [1] Mr. James J. Hill exclaims, with what we should call delightful *naïveté*, if his remarks were not in reality so inadequate and disingenuous as to be portentous of evil:

"There is no longer danger of an unjust squeezing of the public by the railroads through exorbitant rates. The law of the land distinctly provides that the charges a railroad makes for freight or passenger traffic must be 'reasonable.' . . . There was a time, perhaps, when railroads gouged people at non-competitive points, but that time has passed. Both business prudence and the law now regulate these things."

The Interstate Commerce Commission has had the temerity to issue an annual report whose key-note is a wail against discriminations and other injustice on the part of the railroads, which it is powerless to prevent, since the promulgation of this settler of Mr. Hill's. Specific findings of the Commission that the railways not only do "gouge the people at non-competitive points," but defy the orders of the Commission to discontinue "unjust squeezing," are a conspicuous part of that report. It seems pertinent to my purpose to adduce some of the complainant's testimony in this case of "The People vs. Hill et al." I quote from the Commission's report:

"Under the conditions now existing it is inevitable that frequent discriminations should occur, and endless acts of injustice be committed in the performance of rail-

[1] See the "North American Review" for May, 1901.

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road service and the application of railroad charges. . . . The policy now pursued cannot and will not prevent an outcome of vicious discriminations. And, what is most unfortunate of all, these discriminations favor the few and place the many at disadvantage. They aid the strong who have no need of assistance, and handicap the weak with burdens which by comparison are always unjust and often destructive. The experience of thirteen years shows that there is no serious difficulty in securing upon the part of competitive lines the adoption and publication of rates satisfactory to the carrier. Hitherto with respect to traffic which is actively competitive it has been found impossible to secure actual observance of the rates adopted."

The Commission points out that whenever it is necessary to resort to the trick to thwart the exercise of its authority or intercession, the railway companies actually raise rates, without apparently changing them, by changing the classification of the commodities to be affected.

As I stated at the outset, the railway question is still so young that no policy of control has been matured or conclusively tried, though it seems fair to say that in England and in this country the method of public control under private ownership has been fairly tried and found seriously wanting. And of all the social failures or shortcomings in these great countries perhaps the most hurtful, disquieting, and difficult to contend with is the fact that after fifty years of attempted Government control in England and thirteen years — under the commission system — in this country the railways remain in virtual control of the Government. President Hadley's well-considered work on railway control recognized as a fact that English railway influence had virtually defeated the undertaking of Government control. There is, I think, unmistakable evidence that these conditions, which Herbert Spencer denounced fifty years ago and which President Hadley observed fifteen years ago, have continued to the present day. Charges are rife, and are doubtless well-founded, that English railway companies work in collusion to the extent of maintaining exorbitant rates, both freight and passenger, and that freight rates are so adjusted in favor of the long haul for imported goods as to discriminate seriously, if not ruinously, against local producers. But worse than this is the demoralizing effect of the political grip of the railways which chokes real reform or relief. The veriest wayfarer is able to see that like conditions exist in this country under both State and national Governments. Not only is this condition of railway politics taken for granted by the public, but there is a growing public feeling that the Federal Courts are a tender nurse of the traditional law's delay which wears out any complainant who has the temerity to lodge with them a cause against the railways. Even so important a party as the State of Nebraska has been successfully thwarted

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for seven years in its attempt to enforce a maximum freight-rate law, and it is still trying with a delay of several years more in sight. The provisions of the law will be obsolete before they can be applied. At a convention of railway commissioners, held in Milwaukee last year, where the Inter-State Commerce Commission and the commissions of nineteen States were represented, it was unanimously recommended that power be given by Congress to the Inter-State Commission to fix rates. Session after session the Cullom Bill, which would confer on the Commission this power, and other powers intended to raise it from a negative to a positive quantity, has been kept safely pigeon-holed in the Senate committee. What is of the most serious import is not the blocking of the proposal to give the Commission power to fix rates, which is a matter of doubtful expediency, but the effective blocking of any consideration of the bill.

Under this somewhat lugubrious picture seems a proper place to write down a protest against the cry of pessimism which may be raised by those who regard it thoughtlessly. Now the real pessimist is one who not only perceives that there is much that is bad in the world, but insists that it cannot be improved. Perhaps the most unjustifiable of all beings is the contented, all-the-year-round optimist, most approved by society at large. He lacks individuality enough to have edges, as well as the mental and moral sense to perceive wrong, and the courage to combat it. The real optimist is one who sees a wicked world as it is, and sets about with courage and capacity to improve it. All reformers, including the Master Reformer himself, have been pessimists of this sort. They have first killed that they might make alive.

Let us advert again to the proffer of aid in the solution of the great monopoly problem made by the present arbiters of transportation and manufacture. I have already disclosed the stone which Mr. Hill offers in place of the bread the public craves and deserves. Railway monopoly, however complete, may not take injurious advantage of the public, because that would be against the law of the land! It was written in the beginning of civilized society: "Thou shalt not kill. Thou shalt not steal. Thou shalt not bear false witness." These stern commands have ever since been embodied in the codes of all civilized peoples and reinforced by dire penalties. Therefore, by Mr. Hill's reasoning, murder is no longer possible, theft is wiped out, and the pure pages of our court records are unstained by the color of perjury, notwithstanding the present protests of bench and bar that it never was so common or so unconscionable as now. And Mr. Schwab, head of the great steel

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combination, reassures us by the dictum, "A monopoly in the iron and steel business is an impossibility."

But still another of the writers contributing to the same symposium, Mr. James Logan, manager of the United States Envelope Trust, cries down competition as the bane of production, and insists that combination is necessary to check it. He graciously admits, however, that "we need competition if we would grow, but it ought to be honest and intelligent competition." The law of compensation forbids that a man should be so many-sided as to be a wise moralist and a sound logician and economist as well as a great business manager; so that we do not expect Mr. Logan to perceive the logical and economic absurdity of his scheme of graduated competition. Competition in an effective economic sense could not exist "half slave and half free." Mr. Logan's concept of competition with a string tied to it, which he or some other anti-competitive magnate holds, is no less ridiculous than to regard people as living in a state of political freedom where their liberty is doled out by a ruler of absolute power. Let the trustee stick to his trust. If he does not, it shall be at the peril of exposing his incapacity for generalizing, the film over his moral vision, the poverty of his logic, and his amusing struggles in the meshes of the *petitio principii* and the undistributed middle. The contrast between this symposium by the giants of industry and the discussions of the same grave questions by the "theorists" and "idealists," such as those I have above named and quoted, shows that, now as ever, as social factors, the first are trailers after the second, who lead in the way of social progress and social justice, and whose foolishness of to-day will be the wisdom of to-morrow.

It has always seemed to me, however, that the great industrial combinations were an outgrowth of human nature, or, what is nearly the same thing, a logical development according with economic principles; and I see no serious crisis or cause for hysterical alarm impending from them. While to the speculative mind they strongly suggest that their full logical development would run into state socialism, yet within present practical bounds they drive us to thinking about what device or agency the social organization shall supply to take the place of the regulative agency of competition which their own arbitrary power has in a great degree supplanted. In the meantime, if the captains of these great combinations feel aggrieved at the sceptical reception which the public gives their disclaimers and protests of philanthropy and self-abnegation, they should reflect that, alas, ours is an irreverent and unbelieving generation.

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In view of the uncertainty of the solution of this grave question, perhaps it would be the part of discretion for us to acknowledge humbly the very present fact of our industrial vassalage, and to pray with our lips, at least, to our august over-lords: "Give us this day our daily bread and forgive us our trespasses; lead us not into temptation; for thine is the kingdom and the power." But in spite of the most discreet humility we may feel or affect, we find ourselves condensing the symposium into a question in the language of Jimmy Twitcher in the "Golden Farmer": "Vell, vot uv it? 'Spose I 'as heggs in my pocket, d'ye think I'd suck 'em? I scorns the himputation." Æsop has pointed the moral of human motive and action in every field, for the use of all generations of men. When, therefore, managers of railways or other monopolistic combinations which have the power "to gouge the people" protest that they will benevolently refrain from doing it, we instinctively turn to the fable of the cat and the mice. Pussy undertook to lure the somewhat wary mice within her reach by suspending herself from a peg, disguised in a meal-sack. The moral of the wise mice was: "Ah, my good madam, even though you shall turn into a meal-bag, we will not come near you."

The foregoing outline of the status of public ownership reveals not only that it is making rapid progress in the conservative English-speaking countries, but, also, that there is at hand an important break-up of the belief in *laissez faire* — of the notion that, as a sweeping proposition, the freer the competition the better, and that the less the extraneous or governmental interference the freer competition will be. The better class of economists and moralists and the more intelligent part of the general public are accepting the contention of the industrial monopolists that the competitive system as now operated is inadequate and inequitable, but not, as the monopolists contend, because competition is too free, but because it is too much under their restraint. Other people than economic students are beginning to see that the Jeffersonian end of the utmost equality and freedom of individual opportunity may be effectively sought only by means the very opposite of Jeffersonian means, namely, by governmental interference and regulation. They are separating the so-called natural monopolies into a class distinct from the ordinary individualistic industries, regarding the first as a general agency of production, to be used in common by the ordinary competitive producers; and the question they are now seriously considering is whether intensified public control or full public ownership and subversion to public use of the monopolistic industries is the more expedient.

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It is interesting and instructive to contrast the formidable *a posteriori* facts of public ownership in Great Britain with the *a priori* arguments adduced against it by the philosophers with such an air of conclusiveness but a short time ago. In the presence of the wide-open policy of Government interference, or paternalism, as Herbert Spencer would then have called it, now so well settled in his own country, that great philosopher's protest, spoken as late as the fifties, sounds indeed like a voice from the tomb. Exclaiming in his "Railway Morals and Railway Policy" against the then incipient stage of parliamentary meddling with railway construction and operation he says that but for this

"there would have been no absorption of directors' time in carrying on railway wars and getting new acts of Parliament — a business which, under the existing system, has chiefly occupied the attention of boards."

Again, in his "Social Statics," after quoting, for the purpose of refuting it, Louis Blanc's declaration that "Government should be considered as the supreme regulator of production," and then Guizot's retort that "it is a gross delusion to believe in the sovereign power of political machinery," he proceeds thus:

"True: and it is not only a gross delusion, but a very dangerous one. Give a child exaggerated notions of its parent's power and it will by-and-by cry for the moon. . . . Between their [the people's] exorbitant ideas of what the state ought to do for them on the one side, and its miserable performances on the other, there will surely be generated feelings extremely inimical to social order."

And then, referring to conditions in France which Guizot was instrumental in bringing about, he says:

"Was it not natural that men, living under the regulation of legions of prefects, sub-prefects, inspectors, controllers, intendants, commissaries, and other civil employés, to the number of 535,000 . . . who daily saw it [the Government] dictating regulations for railways, inspecting and managing mines, building bridges, making roads, and erecting monuments . . . who saw it attending to everything, from the execution of public works down to the sanitary inspection of prostitutes — was it not natural that men so circumstanced should acquire exalted ideas of state power?"

But what of all this? Testing this speculative philosophizing by the inexorable logic of facts, we find that what it describes, though, perhaps, without due comprehensiveness, is now going on in the philosopher's own country, and that public sentiment there plainly favors its going on, conquering and to conquer the hands-off philosophy and confounding its philosophers along the same lines. So far from having produced social demoralization and "feelings inimical to social order," we are assured that the new public-ownership policy has resulted in greatly improved municipal government, and in still greater improvement in the condition of the people.

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Capacity for coöperation is a measure of a people's capacity for progress and social amelioration. The phenomena of public ownership and of the great business combinations under private ownership are examples of the most extensive development of industrial coöperation. The first includes all the people of a state or subdivision of a state on equal terms. The second is limited to a small part of the people — men of large capital or credit in whose enterprises the general public is interested only indirectly as consumers, having no voice in their management. Where the people of the state or other political division are capable of carrying on the monopolistic or public utilities efficiently, it is obviously the ideal policy. The question has thus become wholly one of expediency; and such questions are being settled day by day in England and in this country on that very basis. The principle of coöperation by and for the whole people has been carried out so far in Mr. Spencer's own country that it presents an all but fully affirmative answer to the proposition of Louis Blanc, already quoted here, that "Government should be considered as the supreme regulator of production," a proposition which the great English philosopher uses as a text for his warning against the grave danger of Government control even of corporations. The Parliamentary Committee is even now studying the practical workings of the great English system of public ownership or municipal trading for the purpose of reporting on the expediency of its further expansion.

The present tendency in the leading countries of the world clearly seems to be toward the general public ownership of railways; though the adoption of such a policy by Great Britain and the United States is perhaps far in the future. In both of these countries there is the tremendously obstructive political influence of the railway companies themselves to deal with. And though Great Britain has the most democratic constitution of any of the great powers, and her policies respond more freely to public opinion than is the case in any of the other great countries, yet her institutions and policy include contradictions and inconsistencies which her traditional conservatism or inertia leaves undisturbed in their incongruous democratic setting. In the United States we have inherited this same slowness of political growth, and it is favored by our obstructive written Constitution, which is characterized by the Hamiltonian forethought of hindering legislation or amendment to the extent, it may be feared, of hindering healthy progress.

Moreover, by the prevailing test of expediency, it does not follow that because the wide-open policy of municipal trading may be good in Great Britain, or because the public ownership of railways is excellent for Bel-

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gium or Prussia, these systems would be equally good for the United States. Nor does it follow that if the state operation of the Post Office in this country is efficient or popular, therefore the state operation of the railways is also desirable. For while a paternalistic or military-like establishment of a certain size, such as the Post Office department, is practicable and inoffensive in this country and Great Britain, yet the immense and complex organization of the same character which the public ownership of the railways would involve, and which is necessary, inoffensive, and practicable in a military country like Prussia, might be offensive and altogether impracticable in the more democratic English-speaking countries. In these countries this question will doubtless be long considered as that of a choice of the lesser of two evils, with the odds against the evil we know not of.

But I think that, according to the present evolution of the social organization, there will be a growth of public confidence and courage which will ultimately overcome the present somewhat overbalancing public opinion that our Government, which is representative of the whole public, is neither honest nor otherwise efficient enough to undertake safely so gigantic an enterprise as the ownership and operation of the railways. Public sentiment is no longer dismayed at the financial feature of the undertaking. Recent colossal capitalization of railway and other industrial combinations by a very small part of the whole people has swept away this once formidable objection, just as the actual fact of successful public ownership in other countries has demolished the sweeping adverse generalizations and quashed the *a priori* indictments of Mr. Spencer and countless philosophers of lesser note. While the exercise of so vast a power and so minute a social surveillance as would be involved in the Government operation of railroads would seem like a dangerous undertaking from a practical business point of view, and a serious interference with individual freedom in such democratic countries as the United States and Great Britain, yet it is at least an open question whether this objection is not fully offset by the unjust discriminations and other impositions which are incident to private ownership. With the spectacle, daily before their eyes, of great business advantages enjoyed at the hands of the railroads by the influential and the strong, and of their perennial free rides, with their sisters and their cousins and their aunts, to the ends of the earth, at the expense of the less fortunate masses, no people can long retain that sense or spirit of freedom and equality which is essential to contentment and even to the stability of popular institutions.

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But it must not be assumed that public ownership would certainly do away with the injustice and political corruption which inhere in private ownership. We remember how designing capitalists so debauched the public administration of the lighting service of Philadelphia as finally to bring about its relinquishment into their own hands. In my home city, which in respect to size and other conditions may be regarded as a typical example for our purpose, for the first dozen years of the public ownership of the water plant the public suffering from an insufficient and unwholesome supply of water was intolerable; and the delinquency was entirely owing to the inefficiency and dishonesty of the city administration, which condition was in turn owing largely to the same sort of influence exerted with the same motive as in the case of the Philadelphia gas works. And our city is still wrestling with this influence, with the final result in doubt. It is significant, however, that in spite of their unfortunate experience the people are still overwhelmingly in favor of retaining control of the water plant. But when the principle and the system of municipal ownership come to be regarded as generally accepted and established, the influential element of the so-called upper class, which now plots for the bad administration of municipal affairs, will be, as Professor Ely has suggested, on the side of good administration. And it is altogether likely that budding municipal ownership in this country will be allowed to mature before the public undertakes the care of the national railway plant.

While the great extent to which all important countries have entered into the public ownership of monopolistic industries, including vast telegraph and railway systems, would seem to warrant the inference that this policy will soon be extended to railways in Great Britain and the United States, yet, for the reasons given, I conclude that this view is superficial. Besides the natural clogs I have pointed out, there remains the feeling that sufficient virtue may yet be found in the scheme of public control under private ownership; and the recent great railway combinations will doubtless lead to a more serious and thorough trial of this old expedient than it has yet undergone, though I can only believe that, after all, this is a temporizing or probationary experiment. On the other hand, we perhaps underestimate the tremendous impetus which these vast consolidations give to the movement toward public ownership.

ALBERT WATKINS.

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EUROPEAN FEELING TOWARD THE UNITED STATES.

Up to a time as recent as our Spanish War the people of Europe regarded "Americans" with a kind of good-natured contempt, and affected to treat us like a bumptious boy who annoys his elders by assuming airs of equality. But the war showed them that the bumptious boy had been quietly taking his place in the front rank of the world powers, with a definiteness of purpose and a strength of will that promised to interfere seriously with their own ambitions. In consequence, Europe's indulgent contempt gave place to feelings of alarm, envy, and dislike. So pronounced were these feelings during our war that the Continent of Europe was for the time a somewhat uncomfortable place for Americans. As it became evident that we should win, respect for our power silenced criticism but strengthened dislike. To-day the American is treated with courtesy enough; but the occasions are not few when the courtesy seems grudgingly given, and the manifestation of it appears tinged with ill-will.

This feeling of dislike toward the United States is not confined to a few people, or to a single country, or to any particular class of society. One runs across it everywhere in central and eastern Europe. It is expressed in the speeches of public men, in the editorials and correspondence of newspapers, and in private conversation. The politician, the professional man, the business man, and "the man in the street" alike speak with bitterness more or less veiled of the progress and policy of America. The "American Danger" has assumed for the Continent of Europe a more immediate and ominous significance than the "Yellow Peril."

The antagonism thus shown toward us is due mainly to economic causes, although political ambition has something to do with it. The people of Europe are feeling keenly the pressure of our competition in business. They complain that we are crowding them in their home markets, and at the same time are shutting them out of ours by our high tariff. They contend that it is unfair for us to impose high duties on their products while they admit ours at low rates.

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It is impossible to appreciate how great is the pressure caused by our invasion of the markets of Europe, unless one remembers that these countries are undergoing a change of industrial life. They have been trying, for twenty-five years and more, to diversify their industry, to supplement agriculture with manufactures. To do this they must have their home markets, and their alarm and resentment at our invasion of these is, under the circumstances, very natural. Certainly we are not in a position to criticise them, for it has long been our policy to keep our home market as much as possible to ourselves. The people of Europe say their difficulty would not be so great if we would lower our tariff and so admit them to our market on as easy terms as those on which they admit us to theirs. The argument is hardly logical, although I have heard it urged by a distinguished German economist. Of course, if the European producer cannot hold his own against us at home, no reduction of our tariff would enable him to compete with us on our own ground. But logical consistency does not determine popular feeling or direct national policy.

The people of Europe are looking to three measures to protect themselves against our overwhelming industrial superiority. These are: (1) Industrial and commercial education; (2) a general customs union; and (3) colonization. The first of these, certainly, is a means that deserves commendation from every point of view. The hope is that such education will offset, at least partly, our natural advantages. It is doubtless true that the tremendous grip which Germany has gotten on the world's industry is mainly due to her system of technical schools, whose foundation was laid a generation or more ago. The success of the industrial schools has given a spur to the establishment of a similar system for commercial education; and the opening of commercial high schools, or of commercial departments in existing polytechnical schools, is now a prominent feature of the European, especially the German, educational movement.

Curiously enough, the fact that we, too, can avail ourselves of the advantages of a system of technical education seems to be overlooked. The people of Continental Europe are strangely ignorant of what is doing in the United States, and even in England, in such matters. The fact that in the past twenty years so many Americans have sought their higher education in Germany has led to the opinion that German universities and technical schools are much superior to ours. That is no longer true. Indeed, there are some lines in which it is a positive disadvantage for an American student to get all, or most, of his

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advanced education in Germany; and in the methods and appliances of technical education, especially, we have little to learn and nothing to fear from Germany. Speaking in a general way, it may be said that no American student need now go to Europe for "superior advantages" in technical education. Our own best technical schools have no superiors, and scarcely an equal.

The formation of a customs union to fight our competition is at present much discussed in certain quarters in Europe. The project appeals to the imagination, and should a workable plan be found for such a union it would very likely command enthusiastic popular support. The proposal is by no means a new one, but it is now receiving attention and support in quarters where, hitherto, it has not been seriously considered. Some such scheme was proposed as many as thirty-six years ago by a writer in the "Revue des Deux Mondes." Molinari revived it in 1879, with a proposal that France, Belgium, Holland, Denmark, and Switzerland should combine. Professor Brentano has suggested such a union between Germany and Austria-Hungary; and voices have even been raised for a commercial *rapprochement* between Germany and France. So conservative a statesman as Goluchowski has advocated a customs union for middle Europe, especially for Germany and Austria; and there are some signs that these two countries, at least, are trying to find a common ground for action in this direction. Such a policy, it is reported, was advocated more or less openly at the meeting of the Austrian Industrial Commission last spring. Even in Italy and France the proposed movement against us finds response. Signor Zanardelli has spoken in favor of a unification of European commercial policy against the dangers of American competition, and so reputable an economic authority as M. Leroy-Beaulieu has also committed himself to such a scheme.

The plan of such a union, if it should ever be formed, will be to establish a low maximum rate of duty to apply uniformly among the members, and a higher rate to apply against us. This high rate would not be put on all our products, for some of them are necessaries for Europe. The general opinion is that it will be sufficient to tax heavily a few of our more important manufactured goods. It is commonly believed by the politicians of Europe that if they do this they will have a "club," as they say, which will make us lower our tariff and admit their products.

Whether a European combination against us will ever materialize is doubtful. We are inclined to laugh at the proposal, and statesmen and

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students of the situation think the interests of the countries concerned are too various to admit of common action. But we must not build too strongly on this supposition. Germany is already a great industrial state. Austria-Hungary can supply her with agricultural products in return for her manufactures, and there are many kinds of our exports which the two nations could do without altogether. The overwhelming influence of Germany might easily draw Holland, Belgium, Denmark, and perhaps Switzerland into such a union. If this occurred we should be at war, commercially, with countries whose aggregate population approximates double our own. That we should be able to hold our own in such a contest few Americans, at least, will doubt. But war, though it be only commercial war, is a poor way to settle differences. In this case it would be foolish, since we could prevent it by granting the slight boon of lowering our tariff to competitors whom we certainly can undersell. The opinion that we need not care what Europe does, because we ourselves can produce everything we want, is immoral and unscientific. It is immoral because it ignores our responsibilities as a member of the family of nations; it is unscientific because it involves the denial of the elementary doctrine that all trade is exchange, that you cannot sell without buying. It is foolish for us to be straining every nerve to hasten the development of our foreign trade if we are to adopt a policy of "supplying ourselves with everything we need." We cannot do both.

The rapid growth of the population of Europe makes our competition all the more severely felt. The increasing numbers cannot all find employment in agriculture, and the need for developing manufactures is all the greater on that account. But, as has been pointed out, our competition retards this development. Checked in this direction, some of the countries of Europe turn their eyes toward colonization as a means of relief for their surplus population. But they complain that here, too, we cut across their path. Our national policy forbids them to acquire territory on the American continent, the only place where there is any left that is worth having. We do not object, of course, to the settlement of Europeans in South America, or to the growth of European trade there. From the point of view of the people of Europe, however, this fact is not an answer to their complaint. Ordinary emigration is an economic and military drain, and they do not wish to continue to educate citizens only to lose them in the prime of life to other countries. As long as we were willing to relieve her of her defectives and incapables Europe felt less reason for complaining; but now that we refuse

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to take any but those who are physically and industrially fit she feels that emigration is a loss without corresponding gain. In countries where every man must do military service, and where national existence depends on the size and efficiency of the army, such a loss of citizens is a matter of some concern.

To prevent it, and at the same time to find markets for their products, the Governments of Europe want colonization under the home flag. They want new territory in which their subjects shall retain their allegiance, while making the new land politically and economically a part of the home country. Politically, the German must remain a German; the Austrian, an Austrian. The new land shall be simply an extension of the home territory, to absorb the surplus population and supply the old country with the necessary new markets and an independent source of food-stuffs. The colonists would still be available as soldiers, and the industrial and military drain of emigration would be prevented. This is the dream of Europe in the matter of emigration. To be sure, this view of the nature and purpose of colonies is mediæval; for they are looked on merely as places to be exploited for the benefit of the mother country, and to be governed from the home capital. But the view accords with the continental idea of the relations of government to the people. For it is still true that on the Continent of Europe the people exist for the sake of the Governments, more than the Governments for the sake of the people. There is, of course, a good deal of government "for" the people; but there is much more "of" the people; and very little that is really "by" them.

The desire of the nations of the Continent for colonies has been strengthened by the recent experience of England. At the beginning of the South African war, continental opinion of the military strength and resources of England was very low. It was generally thought that her colonies would hold aloof if she became involved in war. The magnificent exhibition of loyalty on the part of the colonies not only surprised continental Europe and gave her such an increased respect for England's strength as to put a damper on the desire to interfere in the war, but it also stimulated the desire of several countries for a similar source of strength. Our own expansion, too, has acted as a stimulant. Moreover, something must be allowed for national pride and ambition. We are not the only people who want to "see our flag on every sea," and the spirit of nationality is very strong in Europe just now. The strength of a great empire inflames the popular imagination, and kindles pride in being a part of it. So we see Italian unity withstanding the hostil-

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ity of the national church, and the "imperial idea" rapidly erasing sectional differences in Germany. Even in Austria-Hungary the mutual animosities of Czechs, Germans, and Magyars stop short of the dissolution of the empire, without which, after all, they know they would be in a worse state than they are.

But where is land to be found for such colonies as the nations of Europe want? The "colonial cake," as some one has called it, was divided long ago. The choice spots of the earth have been already fenced in, or at least staked out in claims, although not all have been occupied, still less exploited. The flag of Great Britain flies over many of the fairest parts; and against her, therefore, envy has ripened into bitterness and hatred in those continental countries in which the need or desire for colonial expansion is most keenly felt. We have thrown the ægis of our protection around the Western Continent. The Monroe Doctrine closes South America to colonization and so thwarts the ambitions of some European Powers after settlements in that region. Hence we, too, have incurred their dislike.

The feeling against us has lately grown stronger on account of our recent foreign policy. Our territorial expansion has brought under our flag lands that some of the nations of Europe wanted for themselves. That this is the true explanation of the feeling against us is admitted by many Europeans when pressed to be candid. They acknowledge that the strictures on our "land-grabbing" policy and on our "attack" on the independence of Cuba and the Philippines are a mere pretence. In Germany, at least, there are many people who frankly say that our occupation of the Philippines defeated their country's ambition to get the islands for herself. Europe would have checked our territorial expansion if she could. Despite official disclaimers, there lies behind the advocacy of a customs union a scarcely concealed desire for some political union strong enough to oppose our acquisition of territory, and to put the Monroe Doctrine to the test.

Of course, not all the peoples of Europe look upon us with equal dislike, for some are less affected by our growth and policy than others are. The feeling is probably strongest in Germany, since it is the interests and ambitions of Germany that we cut across most directly and severely. Germany has declared her intention of becoming a great commercial, as she has become a great industrial, power. The Emperor's catching phrase, "Our future lies on the sea," has been adopted enthusiastically by the German people as a motto, not only for their commercial, but for their political, programme; and they regard colon-

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ization as necessary to success in both directions. Germany fain would be the arbiter of the peace of Europe, if not of the world. For this purpose she needs, or thinks she needs, an extensive system of colonies, a large mercantile marine, and a great navy. The latter two she is rapidly acquiring, but the United States and England block her way to the first. One German writer recently declared, with much bitterness: "We need new land for our peasants, but the Briton stands in our way in South Africa and elsewhere"; while another, in the "Neue Deutsche Rundschau" for last December, naïvely suggested that Germany would surely not play in China the wicked policy of annexation pursued by the British in South Africa and by the Americans in Cuba!

The truth is, that it is in the minds of the German people, whatever their rulers may say, to develop commerce and establish colonies wherever they can — peacefully, if possible, but forcibly, if necessary. They are strengthening their navy with that purpose. Since the best spots are already occupied by Great Britain, or shut off by us, they will found their colonies, if they become strong enough, on the ruins of the British Empire, or will try conclusions with us as to our power to keep them out of South America. When they are ready they will choose the way they think the easier. At present they incline to regard England as probably the likelier prey. It would be out of place here to show why success in either plan is impossible; but the future happiness and prosperity of Germany depend on her early realization of that impossibility. No friend of the German people can feel anything but regret for their state of feeling toward other countries, especially toward those which surpass them industrially. There is to-day no other people so overbearing and so full of conceit as the mass of the Germans at home. Their military success of a generation ago, their present splendid army, their rapid growth in industry, their fine educational system, with many other admirable achievements, seem to have turned their heads, and to have given them a regrettable spirit of arrogance and superciliousness that would be ridiculous if it were not dangerous.

But in spite of all this the promotion of the future peace and civilization of the world rests largely with Germany. It is impossible that the high ideals and fine traits of her people should not in time dispel the prejudice and vanity that make them so disagreeable to-day. On the whole, the trend of German thought and action is bound to be, in the long run, for progress by peaceful means. But to do her best service for the world, and to reach the proudest position for herself, she must cease to think of industry and commerce merely as means for the

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furtherance of political ambition. When she does so, her industrial ideals will be so similar to our own that the two peoples will be able to join hands in promoting peace and prosperity.

Of the other continental countries it is not necessary to say much. Our conflicts of trade interests with Italy and Austria-Hungary should not be difficult of adjustment, so far as we can foresee; and neither country is in a position to have colonial ambitions whose defeat will be serious for itself. France has become so much of an appendage to Russia that her foreign policy is largely controlled by that of her ally. Our commercial interests do not clash seriously with hers, and her colonies lie in quarters in which we have little territorial interest. As for Russia, our relations with that Power are truly remarkable. The two countries stand for antagonistic ideals, both political and social. Doubtless, we have been able to remain on good terms with her for so long, because our interests and hers have not heretofore come into conflict. Russia plays us off against England, as she plays off France against Germany. Her recent behavior in Manchuria shows that, if occasion offers, she will treat us with the same duplicity that has long marked her conduct toward other nations. Our differences with Russia will not, of course, be over her territorial expansion as such. That lies out of the sphere of our interests. They will arise in connection with our trade interests in her new territory. The Russian policy is one of exclusiveness and state regulation of industry, while ours is for the "open door" and individual initiative. No union of these policies is possible.

In spite of a good deal of ignorance concerning us and our ways, and in spite, also, of their disagreeable patronizing fashion of treating us, the English really understand us better, and feel more friendly toward us, than do any other people. True, they have been a good while in learning to treat us properly, and we have a good deal to forget of arrogance and ill-will in the past. Still, the feeling of the people of Great Britain toward us could not be more friendly and less patronizing than it is now. They are our commercial rivals, to be sure; but, speaking generally, they have no thought of meeting our competition except by fair means, and in the spirit that the better may win. To keep on good terms with the United States under all circumstances has become a settled principle of British foreign policy. Both the Government and the people of Great Britain are ready to do anything in reason to get and keep our cordial good-will. If we will meet them in a friendly spirit, no differences that can arise will disturb the mutual good-will of the two countries. English industrial, social, and political ideals are akin to our own, and a good work-

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ing understanding between us and Great Britain would do more for the world than a union of forces between any other two countries. If Germany would forget her prejudices and lay aside her impracticable political ambition, in order to join in such an understanding, the peaceful progress of the world would be assured for a long time to come. We should meet the English desire for a better understanding, and leave the way open for Germany to join in forming a triple alliance of the forces of peace and progress, as soon as the people of that country could get over their foolish and unfounded ill-feeling toward things English and American.

DAVID KINLEY.

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THE DECADENCE OF OUR CONSTITUTION.

For more than a century the people of the United States have supposed themselves to be living under a rigidly written Constitution, which cannot be amended or modified except by the method set forth in the instrument itself. Half a century of political existence shows great modifications by the construction and interpretation of the United States Supreme Court. In view of many Supreme Court decisions, especially that of the late insular cases, the doctrine which is actually carried into effect seems to be that the prevailing public sentiment or the pronounced party policy of the Administration in power is invariably to be sustained, irrespective of the written Constitution; or, in other words, the Constitution can be changed by judicial construction — a doctrine which contravenes that announced by Chief Justice Marshall.

In Europe a constitution may be in great part unwritten, as is the case with that of Great Britain; or, as in many Continental states, it may be embraced in the municipal law. The great features of the British constitution, however, are written, such as the Magna Charta, the Petition of Rights, the Habeas Corpus Act of 1769, the Bill of Rights, and the Act of Settlement.

The United States, according to the common conception, is a Government in which the powers of sovereignty are defined and limited in accordance with the principles of a fundamental law called a written Constitution. In 1803 Chief Justice Marshall, in Marburg against Madison, declared that the Constitution was supreme, and that any act of Congress not in accord with it was void. In England Parliament is supreme, and its enactments, whether constitutional or not, are valid; hence, the British constitution is a constitution by fiction only. Under Chief Justice Marshall's decisions our Constitution was a verity. During his time the attitude of the Supreme Court was one of absolute independence as a coördinate department of the Government, and fundamental principles of constitutional law were formulated in opposition sometimes to the Administration and often to public sentiment. Since Marshall's time the Constitution has seemed to be losing its paramountcy,

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because it has been amended by decisions of the Supreme Court which have often overruled former judgments. Judgments have been rendered by a divided court, sometimes by a majority of one, the concurring justices in the majority opinion holding irreconcilable opinions, but uniting in the result.

The new fashion was set by the Dred Scott decision, in 1856, when a pronounced party policy was sustained. In the same way the Legal Tender cases, in 1869–70, showed the subserviency of the Supreme Court to administrative necessity. It was held, overruling a former decision of the same case by the court, that the power to make the notes of the Government legal tender in payment of private debts was one of the inherent rights of sovereignty in all civilized nations, and that, as the Constitution did not expressly withhold it from Congress, Congress had the power so to legislate for the United States. That is, the *jus gentium*, the law of nations, recognizes such authority, and so the United States may adopt the doctrine. But we have been taught that Congress can exercise no power by virtue of any supposed inherent sovereignty in the general Government; because sovereignty resides with the people, and Congress can exercise such powers as have been given to it by the people, and no others.

The history of the Legal Tender cases is interesting. In 1866 an act was passed that no vacancy should be filled in the Supreme Court until the number of justices fell to seven. This act of Congress was to prevent the President from appointing new justices. In 1869 the number was eight, and was fixed at nine by Congress. One justice resigned, thus making two vacancies, which were filled; and then the court overruled the decision in the first Legal Tender case, thereby making United States notes legal tender.

In 1876 the judgments in the Granger and the Munn cases held that persons and corporations engaged in public trades can be placed under restrictive legislation without being remunerated by compensation—a position as to vested rights which differs from that taken by Chief Justice Marshall. These cases reveal that current of opinion which runs against what are called monopolies and the powers of incorporated companies. The decisions would have conformed to the result of a plebiscite if one had been taken, and show the tendency of the Supreme Court to follow public opinion.

The Income Tax case of 1895 is another striking example of the persuasive power of public sentiment on the court. The Income Tax Law was first upheld as constitutional by a majority of one. Upon a

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rehearing one of the majority changed to the other side, thereby causing the former opinion to be overruled. To use a modern socialistic word, the proletarians, to this day, do not understand why a graded income tax is unconstitutional. The same can be said as to many constitutional lawyers. But it would appear that the exigencies of a pronounced party policy and administrative necessity demanded a reversal of the former decision, notwithstanding that another decision of long standing had to be overruled where certain words of the Constitution had been construed.

The most striking illustration of the way in which the courts bend to administrative policy and public sentiment is seen in the insular cases — the De Lima case and the Downes case. The minority in the Downes case assert that the majority opinion conflicts with that of the De Lima case. At any rate, the conclusion forces itself that the United States may enter upon a colonial policy. In 1856 Chief Justice Taney said, in the Dred Scott case, that there was no power given by the Constitution for the establishment and maintenance of colonies by the United States; that a power in the general Government to obtain and hold colonies and dependent territories for which it might legislate without any restriction would be inconsistent with its own existence in its present form; that the people of the United States never gave the general Government power to organize and maintain colonies; and that to do so would be unconstitutional and inconsistent with our republican form of government.

The insular cases swept this doctrine aside as an *obiter dictum*, or an anachronism. In these cases the Supreme Court has affirmed the doctrine for which Lord North contended during the Revolution which separated the Thirteen Colonies from the British Empire. Lord North's doctrine was that Parliament had plenary power to govern the colonies. The Supreme Court has now affirmed the possession by Congress of the same unlimited power over the dependencies of the United States. Lord North contended that though the American colonies were not represented in Parliament, they might nevertheless be taxed, and duties might be imposed upon their commerce. In the insular cases the Supreme Court has decided that the people of the "Crown Colony" of Porto Rico may be compelled to pay such import and export duties as Congress may see proper. This was Lord North's view in 1764, when the question of taxing the American Colonies was being discussed. Accordingly, the doctrine of Lord North was wrong in the eighteenth century, as the Revolution demonstrated, but it is right in the beginning of the twentieth century, as the Supreme Court has so decided.

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But the other coördinate branches of the Government have wheeled into line with the Supreme Court. About two years ago Congressman Roberts, of Utah, was excluded from Congress under precedent and not under the Constitution. The Constitution provides for uniform customs, but reciprocity is practised without constitutional sanction. The United States has paid compensation for the murder of Italian and Chinese aliens within State jurisdictions, thereby encroaching upon State sovereignty. That such action is in accordance with the *jus gentium*, the law of nations, does not admit of doubt. But the Constitution does not authorize the general Government to invade a State and settle its private affairs. It would be a difficult task to find constitutional authority for the creation of the Electoral Commission of 1877 — composed of five United States senators, five United States representatives, and five associate Supreme Court justices — to settle the electoral votes of Louisiana, Florida, South Carolina, and Oregon.

In 1898, during the Spanish war, the President declared that no privateering would be resorted to by the United States. Now the Constitution declares that Congress has the power "to declare war, grant letters of marque and reprisal, and make rules concerning captures on land and sea." Can the President perform the duties of Congress? In 1823 President Monroe announced the Monroe Doctrine. The question arises: What clause in the Constitution gave him the right to declare such a policy? No nation recognizes this doctrine as international law.

Again, what clause of the Constitution authorized President Cleveland to call upon Congress to provide at once for an independent American Commission to fix the true boundary line between Venezuela and British territory? And what clause gave Congress the right to comply?

In 1899 the International Peace Convention met at The Hague. When the Arbitral Convention was signed by the United States representatives, they made this declaration in writing:

"Nothing contained in this Convention shall be so construed as to require the United States of America to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in, the political questions of internal administration of any foreign state; nor shall anything contained in the said Convention be construed to imply a relinquishment, by the United States of America, of its traditional attitude toward purely American questions."

None of the signatory powers made any comment or took any action on this reservation of the Monroe doctrine. It cannot be upheld by the provisions of the Constitution, but, like other things, it is set up outside of the Constitution. Again, what provision in the Constitution author-

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izes this Government to enter foreign territory to dig canals for the benefit of all civilized nations? The Nicaragua Canal, when completed, will not be an internal improvement; it will not even be contiguous to our domain.

The Constitution provides for the making of treaties by the President and the Senate, and such treaties are the law of the land. Thereby legislation is placed in other hands than those of Congress, which is an apparent, if not real, contradiction. The Constitution also provides that all revenue bills shall originate in the House of Representatives, and that no money shall be drawn from the Treasury except in consequence of appropriations made by law. This being the law, how could the President and Senate agree to pay Spain the sum of $20,000,000 for the Philippine Islands without the consent of the House of Representatives? Of course, there are precedents for making such treaties in the cases of the Louisiana purchase, the cession of Florida, and other instances. In such cases is Congress bound to appropriate money to pay the indemnity? If it is, then the Lower House is also an agent to assist in making treaties. Then, the provinces of the President and the Senate and that of the House overlap each other, which is contrary to the words of the Constitution in the delimitation of their powers. If Congress refuses to make the appropriation, the treaty must fail. Supposing that the Clayton-Bulwer treaty is abrogated, and the President and the Senate make a treaty with Nicaragua and Costa Rica to construct the Nicaragua Canal, and then Congress refuses to make the appropriation, what is the result?

The question arises: Is the Constitution of such a nature that it must be construed and interpreted to meet the exigencies of the times in a manner subservient to popular sentiment and progressive history? Has the Supreme Court plenary powers to modify the Constitution, by construction and interpretation, to meet the demands of civilization? Have the executive and the legislative departments potentiality to ignore the Constitution when expediency seems to require it?

The Constitution is supposed to be a great instrument. Gladstone, in a panegyric on our Constitution, said: "The American Constitution is the most wonderful work ever struck off at one time by the brain and purpose of man." But a Japanese statesman, visiting this country, pronounced our Constitution to be too old and incapable of meeting the exigencies of the times. Carlyle says a constitution will not march, and the constitution that men will live under is the one which images their convictions — their faith as to this wondrous universe. The Supreme

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Court has been called "the living voice of the Constitution." Has this voice so construed and interpreted the Constitution as to image the convictions of the people?

There are several reflections to be drawn from the attitude of the Supreme Court during the last half-century and from the action of the other departments of Government. According to the general conception, the Constitution under which we live is written with rigid provisions. But the Supreme Court has modified this instrument by construction and interpretation. Former decisions are frequently overruled by a divided court, and often by a bare majority, displaying, at times, a conflict among the justices concurring in the result. To the layman it seems that the Constitution is to be obeyed or not obeyed as the circumstances of a particular crisis in our history may suggest.

The United States is a world-power, and has been one for a half-century. If she is to keep up with progressive history, why shall she not exercise all the powers that other nations exert? Is it not the perfection of judicial and political sagacity to meet the exigencies of our cosmopolitan environment in the march of civilization? Shall we not wheel into line and follow the *droit commun*, the common law of all civilized peoples?

Are the construction and interpretation of the Constitution by the Supreme Court, and the disregard of it by the executive and the legislative departments of the Government, the kinetoscope which displays the march of the Constitution? Is this constitutional iconoclasm preparing the way for the progress of our institutions? And if this constitutional mutation continues for another century will not our Constitution be a legal fiction?

In conclusion, let us join with Chief Justice Fuller, who said of the Supreme Court, in a discourse delivered before the Illinois Bar Association two years before his elevation to the Bench:

> "The ability and integrity of its members are such that any conclusion which it announces will be conceded by everybody to express the honest conviction of its members."

Or we may unite with Marquis de Marbois in his "History of Louisiana," where he speaks thus of the Supreme Court:

> "It is a power which has no guards, no palaces, no treasures, no armies, but truth and wisdom — its splendor consists in justice, and the publicity of its judgments."

DARIUS H. PINGREY.

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THE PARIS BOURSE.

By moonlight, says Mr. George Moore, the Paris Bourse is as a dream of old Greece. At other times, however, it is as the nightmare of concupiscence. The architecture is confusing and indefinite. It has a little of the Madeleine — the Madeleine desecrated — something of L'Odéon (the Corinthian columns), a bit of La Gare Saint-Lazare, and a great deal of Les Halles Centrales. The complete title of the architectural farrago is "Le Palais de la Bourse;" and it has recently become the heart of Paris, as Les Halles Centrales have always been the stomach of the French capital.

Its antecedents do not consist wholly of figures — or of facts. There is one important fact in its history that has remained contestable: the fact of its birth. When the Bourse was born is a thing shrouded in that misty part of history popularly known as tradition. Back of the fourteenth century all is nebulous.

Before the time of Philip the Fair, money was personified in the despised and despoiled denizen of the ghetto. Business, not being understood, was suspected. The primitive fiscal operations of that period were regarded as a species of sorcery. The mystery in which the enhancement of capital was veiled allied the process, in the minds of the masses, with Satanic alchemy. Hence no precise date is available. Historians conjecture that authorized brokers did business in the twelfth century on the Pont-au-Change. More confidently, it is known that three hundred years later money-changers congregated around St. Jacques' Tower — to-day the headquarters of the weather bureau — among whom was a Jacques Cœur. Cœur divined the future of commerce with an intuition cognate to that which enabled Columbus to affirm the existence of another world. Utilizing his ability in reorganizing the disorganized finances of the kingdom, he subsequently founded Levantine trade, exploited mines, perfected the loose system of taxation, filled the national treasury with a sum larger than that at the disposition of the king, provided the nation with funds with which to ransom its invaded territory, and, last and most important of all, invented the now invaluable system of commercial statistics. France welcomed this new order of finance,

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but she proscribed the financier; and no wonder, since industry, commerce, finance, and speculation were terms that spelled servility and equivocal dealings. The horizon of the time did not recognize a world that bought, sold, and produced. It was an epoch when knighthood was in flower; a chivalrous age whose sole idea was the lance; a period when money was merely a thing with which to pay ransoms or to buy armor. Summarily, money was a very humble quality throughout that long age of iron, and it fled to the arcana of Israel, hid in the houses of the burgher caste. Here, with the Israelites and the middle classes, it grew silently — in the eyes of the ignorant multitude a latent and mysterious process, not unlike the development of minerals in the earth's bowels.

Philip the Fair was the first to give brokers a standing in law. Down to 1724 numerous laws or ordinances were promulgated from time to time to regulate the business generally — to fix the number of authorized brokers and to establish the rate of commissions — but the changers and speculators had no fixed habitation. Their meeting-places, always out-of-doors, changed frequently. In 1794 the speculation in the shares of the Mississippi Company had lifted brokers to such prominence that they were legalized as an Association and assigned to the Hôtel de Nevers, between Rue Vivienne and Rue Richelieu. The membership was limited to sixty, and the members paid a nominal sum into the state's coffers for the privilege of handling securities or commodities. But the very circumstance that brought the Bourse to legal recognition caused the authorities to order the doors of the institution to be closed several times. The followers of John Law who filled Rue Quincampoix with their clamorous cupidities pending the speculative craze in Mississippis demanded, when they faced ruinous losses, that the Government exterminate the Exchange. The Directory closed the doors of the Bourse, but it could not prevent its members from coming together in groups in different parts of Paris. The Consuls, perceiving that they could not control the Bourse, decided to regulate it. The hall was reopened in 1796, but the Committees of Public Defence and of Finance — the circumstances considered, one may joke not poorly at the juxtaposition and the similarity of powers of the committees — reduced the number of brokers to twenty-five. Then, as now, the cry of monopoly was heard, and the Government was forced to extend the privilege of membership to the number of eighty. Four years later this was increased to one hundred; but nearly half of the seats remained vacant, so that in 1816 the membership was again limited to sixty.

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During that period the present Bourse was built. The Government's grant proved insufficient, so that the *Compagnie des Agents de Change* (Stock Exchange Association) contributed 3,000,000 francs toward the completion of the building. Besides making the lien between the Government and the licensed agents more authoritative, the voluntary contribution placed the Bourse at the disposition of the members free of rental.

But the official seal which the Government confers is not devoid of pecuniary consideration. Each of the sixty brokers is bound to deposit with the Minister of Finance 250,000 francs, a sum amenable to the broker's creditors in the event of failure. The depositors, however, receive 3 per cent per annum from the Government for the use of this money, which makes the transaction, in these days of low rate interest, a highly desirable investment on the part of brokers. When the stipulation was made the advantage was with the Government, for at that time, in the previous century, money commanded anywhere from 10 to 20 per cent interest, according to the amount and the exigencies of the loan. Concisely put, for the use of this sixty times 250,000 francs the Government granted in perpetuity a monopoly inestimable in value. It was in a day of extreme impecuniosity in the Finance Minister's office that this highly valuable privilege was accorded. Then a seat on the Bourse was not quotable; it was practically worthless. To-day it may be sold for nearly $500,000, the highest price by far of any ticket issued by exchanges of international importance. The wide difference is easily estimated when it is stated that a membership on the New York Board, commanding about $70,000, is next in value to that of the Paris Association.

The blue card of admission represents such a large fortune — large for France — that very few single individuals own a ticket outright. In instances innumerable, as many as twelve partners have an interest in the credential of admission. But in permitting this multilateral ownership, the Government insists that at least one capitalist own one-quarter of the *carte de Bourse*, and that he alone may do business on 'Change. There are other provisions governing the small and compact association. Candidates for membership must not be under twenty-five years of age, must have complied with the law regulating military service, and must be Frenchmen. The last clause is a curious refinement which was interpreted to the exclusion of the Jews late in the previous century, and still obtains. It was assumed that a Frenchman was necessarily a Christian. This postulate accepted, the conclusion is easy that a Jew, not being a

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Christian, is not a Frenchman, hence cannot be a member of the Bourse — or that, in the commercial rearrangement of eighteenth-century theology, none but of the faith of Christ may be money-changers in the temple. It was the insistent enforcement of the theological provision, far more than the obvious monopoly of the Society of Sixty, that created opposition. The Jews, though not numerically strong, were comparatively influential in financial affairs when the laws governing the Bourse were enacted. At first they transacted business through their Gentile confrères; but they soon wearied of paying the exorbitant commissions, especially as such a charge precluded an equality of chance in operations in certain securities.

Accordingly, they gathered their then limited forces, and formed a rather loose organization of independent brokers. They were undisturbed until 1819, when they were driven from the Bourse by a law which the "regulars" succeeded in having passed. The statute was subsequently abrogated, and the outsiders were permitted to return under certain restrictions. Four years later there was another dispute, which ended in the temporary suspension of the independents. It was not until 1844 that the unrecognized body assumed any sort of conspicuous position. From that year, the railway-building period, they grew in importance. The securities of these corporations were handled exclusively by the curb-brokers; and as their business augmented they were subject to every manner of transient embarrassment on the part of the *agents de change*, or "regulars." It was not until 1859, however, that a decisive clash ensued. The authorized agents brought suit against their competitors, and the courts imposed a fine of 10,500 francs on every unauthorized broker. The latter faction thereupon reorganized themselves on more formidable lines, and added to their specialties foreign securities that had never appeared in the French market.

Their legal status was tested in 1881, when a bank of commanding position, the Union Générale, collapsed. Its failure is one of the dramatic incidents in Zola's "L'Argent." The official agents had sold large blocks of the institution's shares to members of the unofficial organization; but it was discovered that there had been a fraud in the issue. The independents sued the legal members, and won the suit. It may be parenthetically observed that the crash and the subsequent litigation revealed the innate integrity and the fundamental strength of the governmental brokers. Their losses were tremendous, but they held together and met every franc of their obligations — an exemplary proceeding which their opponents failed to emulate in the several fiscal crises that

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followed from time to time. This failure to follow a good example enhanced the legitimacy of the regulars' tenure and weakened that of the opposition, particularly as the latter had added to its list a group of mining stocks in which the public suffered severe losses.

With their position grown stronger and that of the open market coterie weaker, the *agents de change* determined upon a decisive battle. At the moment of this decision they were fortunate in having M. Cochery, the Minister of Finance, with them. M. Cochery had been a member of the Bourse; he was *au courant* with the social and political involutions and the perplexingly developed fiscal intricacies of that institution; he was an uncompromising legitimist in the understanding that the brokers sanctioned by the Government should be omnipotent. He created, in 1898, a measure that implied, practically, the destruction of the independent syndicate. The bill was introduced by M. Fleury-Ravarin, a deputy, and bears his name. In addition to the tendencies already indicated in favor of the authorized brokers, the last attack on the independent body was particularly opportune in that it was supported by a peculiar prejudice then markedly virulent. Stress was laid upon the point that of the 86 firms which constitute the outside association, 52 out of a total of 116 members were foreigners or naturalized aliens, and that, among the silent partners of these active members, 138 of 349 were or had been citizens of other countries. There were then 190 foreign or foreign-born persons engaged in the business, against 275 Frenchmen. But the hidden spring in the antagonistic action consisted in the significant coincidence that of the 349 out-of-the-pale brokers the more part consisted of Jews. MM. Rochefort, Drumont, Guérin, and kindred political agitators violently voiced the prejudicial sentiment then and even now held. The radically prejudiced press shouted that the credit of France was at the mercy of a clique of German-Jewish brokers. This and the circumstance of rampant protectionism were sufficient to enlist public opinion to the support of the Fleury-Ravarin bill.

Briefly, the law prohibited "foreigners" from acting as jobbers; it forbade any person not an *agent de change* to act as a dealer in officially quoted securities excepting as to French *rentes*, and it left them to deal only with the limited number of shares not on the Government roster. The "free" market in common with the official had dealt, previous to the enactment of the law, in a swarm of securities listed officially and far easier of negotiation with the independents. Among these were Turkish bonds, Rio Tintos, Spanish fours, and gold-mining shares. The average speculator and investor preferred to place orders with the

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outsiders, owing to the greater ease of placement, the lower brokerage rate, the total absence of formalities, and the greater rapidity of the transaction.

But under the 1898 arrangement the independent broker was reduced to the level of a runner or mere agent for the official members; and every person acting as an intermediary in transactions relating to officially quoted securities was obliged to produce a stamped *bordereau*, or invoice, emanating from an *agent de change*, on whose behalf and as whose agent he had nominally to act. The independents had but one recourse, and they took it: they emigrated. The larger number went to Brussels, some went to London, and a few — a very few — to Germany.

The upshot was the immediate deterioration of the Paris Bourse. Within a year the business on 'Change was reduced one-half. The mining market was totally ruined — it was transferred almost wholly to London — while the trading in foreign securities was divided between Brussels and Berlin. The *agents de change* perceived their mistake, but dared not acknowledge it. They were, however, drawn to an acknowledgment by the strictly banking element — made up mainly of Hebrews, who are an influential force in the Crédit Industriel, Société Générale, Crédit Lyonnais, Comptoir d'Escompte de Paris, and private institutions of the character of the Rothschilds — which also directed the attention of the Government to the declining state of affairs in the Place de la Bourse. The end was a compromise, in February of this year. The entente, whilst maintaining the monopoly of the *agents de change*, asserted by the Fleury-Ravarin bill, nullified the evil effects of that law. The new arrangement gave the independent broker an officially recognized and legal existence; it raised his share of brokerage commission and allotted him special space inside the Bourse. On his part, he bound himself not to divide any portion of his brokerage commission with his clients.

This arrangement was made for a better understanding between the official and the now semi-official broker; each section of the market remaining in its own sphere of operation. The *agent de change* is practically a ministerial officer in the same way as a notary or a solicitor. Indeed, he is more akin to a special kind of notary, since his office is to register stock and share transactions and to certify to their authenticity by giving them his official sanction. For this, there is a fixed scale of brokerage fees, varying very much in the same way as a notary's scale of charges varies according to the importance of the sum mentioned in a contract he is called upon to draw up. The very nature of the office of the *agent de change*, the responsibility he incurs, and his pecuniary lia-

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bility for the acts of his fellow members oblige him to show a reserve which prevents him from soliciting business from the public. In the circumstances it is difficult for him to enlarge his clientèle. He plays, to all appearances, a purely mechanical part in the stock-exchange transactions; but it is a part which, to be honestly undertaken, requires the utmost integrity and the closest prudence. He may not induce his customers to speculate in such and such a stock, and he may not bid for fresh clients for fear of compromising his position. Conversely, the unofficial broker may solicit new business and do whatever he deems expedient to stimulate transactions.

Such are the respective positions of the commissioned and non-commissioned members as contrived by the recent arrangement. The prestige of the *agent de change* has increased. The other, though in a manner independent and doing business on his own account, nominally becomes the manager, the runner, the beater-up of trade for the *agent de change*, of whom, in a way, he becomes the associate, and from whom he is to receive a fair proportion of the brokerage fees. Nor is the alliance limited to this. Hitherto the outsider's credit has been strictly of a personal character; for he has been a mere hanger-on, an unrecognized, though none the less important, dealer. He has now secured a legal standing, so that his business will possess a commercial value, and may be carried on as a firm which may be handed down to his heirs or successors. The body of which these gentlemen are members, and which in every intent and purpose now makes the Paris security market, is "free" or "liberal" in a technical sense merely. Applications for admission are carefully examined. An applicant who wishes to handle bonds must show a cash possession of 100,000 francs; for stocks. 500,000 francs; for both, 600,000.

With its internecine troubles settled, the Paris Bourse presents a peaceful aspect — theoretically. Enter the Place de la Bourse or Rue Vivienne or Rue Réaumur, and a terrific tumult assails the ears. A heated clamor mounts into the air. It is not unlike the roar of a wild equinoctial storm, rolling and swelling like some unchained fury. The surge and swell emanate from a mob of men in an immense hall encircled by the Corinthian pillars. The range of noises is from the screaming falsetto to the deep bellow of the basso. Still the thunderous sound cannot come altogether from agitated mouths. It must proceed partly from the movements of these men, whose manner is unlike anything one may witness in New York, London, Berlin, or Vienna. The faces register every degree of esuriency. Here there is no repose as in London,

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no self-command as in New York, no ceremonious dignity as in Berlin and Vienna. Everything and everybody are unrestrained.

At the first glance the mad mob seems thrown together pell-mell. But it is divided, and the divisions are rigorous. In the centre there is a circular railing called the "Corbeille." This is the exclusive habitation of the *parquet*, as the *agents de change* are designated collectively. Contiguous to the circle there are two round stands known as the "petites Corbeilles." The first is occupied by 60 clerks, one for each *agent de change* who makes cash trades. The other is the station of the same number of employés who occupy themselves with transactions in French funds for future delivery — *negotiations à terme sur la rente*. In propinquity to these circles is still another filled with *remisiers*, people who solicit orders for the *parquet* — in our expressive parlance, drummers. Prior to the compromise of February, the independent brokers were relegated to the narrow space among the Corinthian pillars, exposed practically to snow, rain, and heat. They were known as *coulissiers*, as a whole forming the *coulisse*. To-day they occupy the north end of the Bourse. Whilst a *coulissier* was not permitted to enter the sacred precinct of the *parquet*, the male public generally has had access to any part of the building. Ladies are not admitted even to the galleries; an exclusion that is a discord in the universal chorus which sings the Parisian's praise of gallantry. In the second reflection this extraordinary regulation appears one of strenuous self-defence. The Frenchman, being so susceptible to the attraction of the attractive sex, probably prohibits their presence that he may not be rendered *distrait* pending the session. As a compensation for this Oriental ban any man, an expelled *agent de change*, a *rastaquouère*, may mingle with the brokers "on the floor," a privilege irreconcilable with the exclusiveness of Wall Street or of Capel Court. The building is public property, hence it is accessible to all save those who really engender public opinion in France — women. The accessibility has its advantages for anyone who believes that an honest broker is honest only when he is under surveillance. The client may give an order and survey its execution.

There are many other curiosities on the Paris Bourse. Among these are the posters and legends on the inner walls. If a member does not agree with the political or religious views of his confrère, he is permitted to post his dissent upon the walls of the Exchange by displaying Rochefort's or Drumont's latest philippic or Forain's most recent cartoon. A striking curiosity also is the situation of the telegraph department. In times of panic instantaneous communication with the bourses of Europe

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may be had by climbing interminable stairs and groping cautiously along a blind serpentine hallway. A negative oddity is the absence of a telephone. Still more so in the negligent sense is the lack of a stock ticker. There are no instruments in France that record market prices. The function of the Yankee invention is performed by messengers who carry quotations to all parts of Paris. I say all parts of Paris advisedly, since the world of money is not concentrated as in New York and Chicago, London and Liverpool, Berlin and Frankfort, Vienna and Budapest. Banks and brokerage houses are scattered throughout Paris. They are everywhere — except in the environments of the Bourse. Where a foreigner expects to find them — in the Place de la Bourse, Rue Vivienne — there are noisy *cabarets*, cramped, buzzing, simmering restaurants, and motley shops. These places, however, are overwhelmingly influenced by the Bourse. The Exchange dominates its environments. One may go into any shop, *cabaret*, or restaurant at any time of the day — or evening, for that matter — and one will hear of nothing but stocks and bonds, and bonds and stocks. The most voluble are the most unsuccessful, and the voluble are the most numerous. Except, perhaps, around the Casino at Monte Carlo, there is no army of monetary *ratés* as large as that which gathers around the Paris Bourse.

Few spectacles are more affecting than that of such men — once, doubtless, prosperous in legitimate pursuits, with a healthful view of the world and possessing in full that inestimable gift of life, *le bonheur d'être* — so shattered in character and degraded in morals; always mental and often physical wrecks; men with broken volition, with lost purpose, with professions they can no longer exercise; with strenuously acquired commercial experience which has been hopelessly vitiated by the terrible dissipation of thwarted speculation; men whose sole idea and possession is a "system" of playing the market which they themselves can never play — like the Vieux Professeur at Monaco who, *moyennant une faible rétribution*, will cast you a beautiful horoscope with his infallible diagrams and apparatus. Men — but they are not men. They are ghosts — pitiable, miserable apparitions who haunt the purlieus of the relentless, inexorable monster that destroyed them.

These, with a few old women, are the dregs and the lees of the Paris Bourse, and they are known as the *pieds humides* — wet feet. The old women carry old hand-bags, and in the old hand-bags are "securities." The insecurities are as cheap and as degraded as the dealers in them — the engravings issued by insolvent corporations, by corrupt companies, by counterfeit concerns that were never intended to develop beyond their

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charter, and by South American mining companies that never yielded an ounce of ore. Yet this worthless mass of paper finds a market occasionally. Sometimes a bank or cognate financial institution fails. Among its assets are found the contents of the old hand-bags. Usually these were bought not long before the failure. The failure is not explained by the contents; the contents are explained by the failure. Probing deeper we discover that the officers have speculated, not in hand-bag rubbish, but in the officially listed securities, and, when bankruptcy was inevitable, purchased the refuse to "give themselves a countenance."

Notwithstanding the *pieds humides*, and despite the assaults of the Rochefort-Drumont faction, France's respect for the Bourse is not less real because it is unacknowledged. This hidden esteem is quite conceivable. Frenchmen have a good memory, and in their heart of hearts they are not ungrateful. They remember what the Exchange did for the country when appearances indicated that Germany had crushed France out of all political significance. When Paris was still smoking from the shells of the outside and the firebrands of the inside enemy, the strong members of the Bourse were busy with a plan of financial restitution. When other nations had lost all hope of France's retrievement, the Exchange demonstrated its faith in the country. On the darkest day of that dark period subscriptions were opened — in the corridor facing the Rue Réaumur — for the bonds that covered Germany's severe exactions and for the obligations that made for a renaissance of the capital. The first and largest subscribers to the five-milliard loan were the *agents de change* and the *coulissiers*. There is another thing which the Frenchman has in mind. He knows that whatever the Government, whatever the political aspect, the Bourse never dissembles. The market will not lie. The quotation list is incorruptible. The roster of prices has never been an obsequious courtier to this or that régime. Just as Rochefort, Drumont, Guérin, and Millevoye hate the Bourse, so have all radical despots looked askance at that institution. Force and persuasion have not controlled the lists, and the influence of intrigue has ever been fleeting.

While the Paris Bourse is neither saint nor hero, it is the only power, aside from saints and heroes, that the kings and mobs of France could not compel to express a sentiment contrary to its conscience of commerce. When the Exchange expresses an opinion it is in a language understood by all — that of francs and centimes. Napoleon feared it, Robespierre held it in execration, and Prudhon — the monsieur famed for his knack of saying infelicitous truths in moments of absent-minded candor — said that the Bourse in critical periods was the final refuge of honest views.

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Even the terrorists could not intimidate the then comparatively small and weak financial corporation. The Exchange flatly refused to hold sacred the assignats issued by the Convention. The excessive supply of arbitrary money brought the inevitable depreciation, and a few financial heads were inevitably brought to M. Guillotin's knife. (The terrorists decreed a penalty of six months' imprisonment for the first offence, twenty years for the second, and death for the third, for the tendering or receiving of assignats at less than their face value.) The Convention might take several heads from the Bourse, but it could not compel it to take money considered fundamentally fraudulent and indiscriminately circulated. The members of the Exchange knew, and they were not afraid to proclaim their knowledge, that the property upon which the assignats were based was unlawfully seized by the state; they knew, and they dared say so, that even if the gross and egregious confiscation were subsequently sanctioned by more responsible Governments, the currency issued upon such property was dangerously in excess of its actual value. Robespierre could not make his political might a financial right. The money thus issued continued to sink in estimation, and the ignoble end was bankruptcy.

From that day the Paris Bourse has made itself felt. It has impressed Frenchmen quite as effectively as the cannons of monarchies or the fragments of pavements of insurrectionists. The latest demonstration of its power has strengthened its prestige. I refer here to the Franco-Russian alliance. This entente had its origin in the efficacious offices of the Bourse. The youngest of us may revert to that evening at the Peterhof when the grandson of Nicholas I, Alexander III, an implacable enemy of the French Revolution, of a sudden changed his mind and consented to hear, hat off, the "Marseillaise," the hymn proscribed the night before by the Chief of Police. Russia wanted money and wanted it badly. She had made a tour of Europe and found her credit disabled everywhere save in the French capital; and here the fulfilment of her application was made contingent, by the men of the Bourse, upon a certain martial reciprocity which culminated in the extant understanding between France and Russia.

It was the result of a second Russian loan which occasioned the first night session held for some time. French *rentes* fell to par. The heavy liquidation was not due to any intrinsic weakness of the national security. Frenchmen sold their own bonds in order to take on the new Russian security, thus blending patriotism with business. Night sessions are not a recent innovation. They have been held by the *coulisse* in periods

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of great activity for over half a century. The "call" begins at eight o'clock and continues about two hours. It is held, not in the Bourse building, but in the hall of one of the most important banking institutions of Paris, a circumstance which leads to the correct conclusion that in no country are the relations between the leading banks and the Exchange so close as in France. The banks, in a broad sense, are the drummers of the Bourse. They solicit orders directly for the Exchange. Circulars of advice are sent out daily, giving a detailed opinion of the market, and there is a constant stream of runners carrying orders between the banks and the Bourse. The relations between the Exchange and the banking institutions are, indeed, far more interdependent in Paris than in London, Berlin, Vienna, or New York, albeit the interdependence is in no way dangerous to the monetary establishments. The circumspect intimacy, rather, is hugely beneficial to the Bank of France, the Crédit Lyonnais, and like institutions. The business of the first mentioned connotes the prosperity of the rest; the total volume of payments made and received in 1900 amounted to the stupendous sum of 149,247,102,800 francs, and the turn-over of operations productive of profit attained to 18,663,048,500 francs.

But, to be sure, the affluence of the Bourse and the banks depends on the welfare of the nation; and France prospers, but not by paying the usual price — spiritual paralysis. She prospers because of what Carlyle calls her true intellect. Her intelligence and her wealth are broadly distributed.

E. FRIEND.

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THE MONASTIC DANGER IN HIGHER EDUCATION.

If the charge of monasticism were brought against the higher education of a few generations ago, it would be easy to call attention to many features which would give at any rate a *prima facie* support to such an accusation. By its exclusion of women, its compulsion of celibacy upon members of the foundation, the minuteness of its disciplinary regulations, the distinctive dress prescribed for its students, even its characteristic type of architecture, the college of the past presented obvious indications of kinship with the monastery. It would need no violent effort of the imagination, on the part of a visitor to Oxford, to picture groups of cowled figures walking in slow procession through the cloisters of New College or to suppose that the tolling of the Christ Church curfew was bringing to a close daily tasks of meditation and service. Even the sight of dancing in the Examination Schools, or of tutorial perambulators in the Parks, or of electric-light bulbs on college staircases, or of any other mark of intruding suburbanism, does not altogether dissipate the lingering impression of old-worldliness. It is not so very hard, after all, to think oneself back to the period which survives even to the present time in such names as Logic Lane, Holywell Street, and Friars' Entry.

But the spirit of the latest of the Renaissances has cleared away, it will be said, every trace of mediævalism from such universities and colleges as are in working order to-day. In Spain, perhaps, there may still be places of superior instruction where Latin is the common speech and the dialectics of the Schoolmen remain the ideal of true learning; but at any rate in America, which is practical if she is anything, there is no toleration for any form of education that is not vital and vivifying. There can be no more opportunity for the restoration of mediæval methods of training than for the revival of the megalosaurus. The large proportion of colleges which are of almost contemporaneous establishment — for some of the oldest in date of foundation have been as good as re-created by quite recent endowments — may be quoted as a guar-

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antee that the higher education of this country cannot fail to be essentially modern. Can it be supposed that, with respect either to equipment, curriculum, administration, or general tone, there can be found any signs of the influence of such monastic conceptions as might naturally be expected to persist, in some measure, in colleges which draw their origin from William of Wykeham or Cardinal Wolsey?

The monastic spirit, however, is not narrowly limited in its means of expression. The history of religion, in Protestant as well as Roman Catholic countries, supplies ample illustration of its facility in inventing disguises; and recent literary and educational developments show that intellectual monasticism is as ingenious as the religious variety in making itself out to be its own opposite. In his recent collection of the lectures delivered during his Oxford professorship, Mr. W. J. Courthope applies the name to a tendency which distinguishes a class of books not usually suggestive of cowl and cloister. He points out that, in the contemporary literature of every country in Europe, life in poetry is no longer looked for in that perfect balance between the universal and individual elements which is the essence of all classical art. Instead of reflecting in an ideal way the active life of the society in which it is composed, poetry becomes the expression of the peculiarities of the individual poet. "There is at work in modern society," he tells us, "an eccentric or monastic principle," which leads men to pervert metre into a luxurious instrument for the expression of merely private ideas. In his protest against the exaggeration of the individual element to the neglect of the universal, and his plea for a broader view of the aim of poetry, Mr. Courthope says:

> "Many of the spiritual forces in our society — notably reaction from materialism, vulgarity, commonplace — impel the imagination toward a state of transcendental monasticism, thrusting the mind inward upon itself, and urging it to the contemplation of its own ideas without considering them in relation to the ideas of others. Poetical conception so formed will, by its own innate force, command attention and respect from those whose spiritual experience has been in any way similar, and yet, as it has been framed without reference to the wants of human nature at large, will necessarily lack the main element of enduring life." [1]

Mr. Courthope adds that, in his opinion, this is the danger that threatens the position of Robert Browning, who so absolutely excludes the reader from his choice of subject, and so arbitrarily, in his treatment of his themes, compels his audience to place themselves at his own point of view, that the life of his art depends entirely upon his individuality. Accordingly, in spite of his genius, his influence upon future generations,

[1] "Life in Poetry: Law in Taste," p. 58.

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which may be less inclined than our own to surrender their imaginations to his guidance, is by no means secure.

Thus monasticism in literature does not necessarily take the form of devotion to the illumination of missals and to the transcription of ancient manuscripts. Every little set of *précieuses*, every coterie of Omar Khayyám worshippers, is a monastic circle. The disgust at the vices of the open world which led some of the best men of former generations to withdraw themselves into the desert finds a modern parallel in the disdain which is felt for the popular judgment by writers and critics whose standards are not recognized among the multitude. Our connoisseurs forget that, if the general taste is mistaken and crude, the remedy is to be sought in its cultivation, not in their own segregation into a class of superior persons. It is only the test of time and use that can distinguish between true principles and fads.

The fact that we can thus discover evidences of essential monasticism in contemporary literature of an entirely non-ecclesiastical type suggests the possibility that the same tendency may exist in forms of education that are supposed to breathe the free spirit of democracy. An incidental reference of Mr. Courthope's, in his concluding lecture, points the contrast between monastic and non-monastic ideals of education:

"From very early days, Oxford and Cambridge assimilated with their system of mediæval education all the ideas that flowed in upon them with the rise of the New Learning. But they did not, like the later Italian Humanists, regard art and learning as something to be pursued for its own sake, and without reference to the active life of the state. On the contrary, as the college system expanded, the ideal of civic education grew always stronger; the universities shared to the full in the sympathies and interests which were moving the mind of the nation at large, and instead of developing into monasteries devoted to the purposes of knowledge and research, they became rather schools for preparing the minds of youth for the discharge of public affairs. Oxford and Cambridge, having participated to the full in the internal struggle caused by the Reformation and the Civil Wars, continued to send from their seminaries the men who presided over the business of the country as judges and statesmen; poets and essayists went forth from the seclusion of their colleges to apply the stores of knowledge, there derived from the study of antiquity, to the problems of living thought. This bracing political atmosphere helped to invigorate the studies of the universities themselves, making the scholar sympathize with the civic spirit of the great classical authors, and vivify the literatures of Greece and Rome with analogies drawn from the society about him." [1]

Mr. Courthope regrets to observe that, at present, although the public service in England is still largely recruited from the national universities, a certain reaction against the atmosphere of democratic politics

[1] "Life in Poetry: Law in Taste," p. 436.

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— he refrains from mentioning Mr. Chamberlain by name — is impelling academic society to pursue the aim of self-culture apart from the main impulse of social action in the state. He contends that the universities should show themselves to be animated with the public spirit of the πολιτικὴ παιδεία, the civic training, that was given in the city states of Greece in the days of their greatness and liberty, and that their educational aims should be brought into conformity with the laws of the country's social being as disclosed in the course of her national history. These aims would then "be seen to be equally remote from a narrow utilitarianism and from the pursuit of art and science as ends in themselves."

The problem of striking this happy balance is not easier to solve by being transported across the Atlantic, in spite of the apparent advantage of social conditions which are not hampered by prescription and tradition. The American educator begins, comparatively speaking, with a clear field; but it requires all his care to keep his ideals and practice "equally remote from a narrow utilitarianism and from the pursuit of art and science as ends in themselves." On the one hand the temptation is great to minimize and slur over all that part of education which does not immediately result in the acquisition of some mechanical or commercial or professional skill. When a young man has before him a working lifetime of only forty years or so, it is felt to be a grievous waste that he should spend upon his preparation an hour more than is required by his necessary studies in the technique of his craft. He has no time to lose. The day of his superannuation already looms in menace across his horizon, and he cannot afford to delay by taking thought for such trifling matters as the formation of sound mental habits and the cultivation of pure and ennobling tastes. While he was occupied in such pursuits his rival would have mastered a hundred new dodges for catching dollars. Accordingly, one of the most popular types of education is that which expresses itself in such advertisements as "Spanish in ten lessons," "Stenography while you wait." It is a type that has spread far and will spread farther, until people discover to their amazement that there is some truth in the old proverb that the longest way round is sometimes the shortest way home.

The reaction against this policy of haste and superficiality brings with it, however, perils of its own. Antipathy to the degradation of education involved in its appraisement by the standards of the market and the counting-house is in danger of leading to an aloofness which affects to ignore the principle that education, at its highest and best, is

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a preparation for life. If utilitarian theories of education err, it is because they unduly narrow the true conception of utility. The parent who wishes his boy to be taught nothing but what is "practical" is, in principle, profoundly right: a training that bears no fruit does naught but cumber the ground. It is by his interpretation of the "practical," by his understanding of the demands of life and the means by which they may be met, that the true teacher distinguishes himself from the quack.

Hence, to overlook the close contact into which the individual will inevitably be brought with the affairs of his fellows is to be guilty of a serious failure to grasp one of the fundamental requirements of any real education. The student with whom the teacher has to deal is not destined to spend his existence *in vacuo*, or even — the next thing to it — in a hermitage of intellectual anchorites carefully shielded from every sound of vulgar human speech. Whether he is his brother's keeper or not, there is no getting away from the fact that he is his brother's brother. The impossibility of isolating him from his kin, or of emancipating him from his own share of responsibility for whatever in his environment is the result of human effort or neglect, puts the solution of the problem of his education beyond the reach of the intellectual recluse as well as of the intellectual cheap-jack. No one who regards the affairs of the extra-academic world from the point of view of either a dilettante or a cynic can reasonably hope to achieve any real and permanent success as a teacher.

If this be so, it may be pardonable to hesitate before accepting the usual complacent view of the tendencies of contemporary higher education in America. Is not the number increasing of colleges which are making it their great ambition to become "monasteries devoted to the purposes of knowledge and research" rather than "schools for preparing the minds of youth for the discharge of public affairs"? Perhaps it has been too readily assumed that the incorporation of "modern" subjects in the course of studies would in itself secure the desired contact with actual life. There might, of course, be mediævalism in Latin, but surely bacteriology must be closely relevant to the needs of our own times. The science of bacteriology — yes; the teaching of bacteriology — not necessarily. To a practising physician a knowledge of this subject is evidently of the greatest value; but its inclusion in the course of study pursued by a non-professional undergraduate must be justified on entirely different grounds from those which give it a place in a technical school of medicine. It would be quite possible for a college to banish from its cur-

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riculum the classical languages and literatures, with every other branch of old-fashioned scholarship, and place upon its staff representatives of all the sciences that have sprung up during the last fifty years, and at the same time to be hopelessly monastic, as far as its educational work was concerned. And, after all, it is for purposes of education that a college exists. Its efficiency must ultimately be measured by the quality of the men whom it sends out into the world, not by the degree in which its professorial body approximates to a miniature edition of the Royal Society.

To say this is not to ignore or underestimate the importance of inquiry and research. No serious danger appears as yet of too much time or money being spent, in any part of the world, in the attempt to lengthen the cords and strengthen the stakes of the Tabernacle of Learning. There is scope indeed for all the investigation of all the specialists. There are sciences that are still in their infancy, and periods of history that are still enveloped in mist. Barren as many learned inquiries and experiments may seem at the moment, the time comes sooner or later when there is discerned in all of them some valuable contribution to human knowledge. In the most surprising ways the unselfish pursuit of learning for learning's sake has led to inventions and discoveries that have increased even the material welfare of the race. But, however necessary these investigations may be, it is not the province of the college, as a place of higher education, to make them. Of course, every professor who has a real love for the subject which he teaches will maintain the freshness of this interest by such researches as he is able to undertake on his own account. He will understand well enough that he must grow that he may live. But if he becomes so fascinated by pure enthusiasm for his subject that he loses concern for the development of his pupils and becomes unwilling to take the trouble of studying their individual requirements, it would be better both for his college and for himself that he should withdraw to some congenial retreat where the problems which absorb his energies would not be complicated by the existence of the undergraduate.

The author of the delightful "Diary of a Freshman" scarcely exaggerates when he describes a professor who "is said to know more about fen-drainage in the thirteenth century than any other living person except one dreadfully old man in Germany who's beginning to forget about it." Now it is well for the world that whatever is knowable about fen-drainage in the thirteenth century should be known — by two persons rather than by one, inasmuch as there is then less risk of its being

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blotted out of the book of human remembrance. But by twenty or two hundred rather than by two? I am not so sure. Still less do I feel confident that an American whose proclivities have led him to find his chief delight in the mental habitation of the waste places of the Middle Ages is likely to be well fitted to cultivate in the youth of to-day the qualities that will be of chief value in the development of the Americanism of the future.

As the function of the college is to prepare for life, and the undertaking of learned researches is one form of life, it follows that the college will sometimes include on its roll of students the name of an embryo investigator. If so, it is responsible for putting his natural capacity into such a condition that he will be fit to attempt his special work. It will leave to his own initiative his later researches into mediæval fen-drainage, but it will supply him with the tools he needs for his delving. It will teach him how to read and to think and to reason; how to observe and to record his observations. But it is only one in a hundred that will thus dedicate himself to the confined life of the cloister. The remaining ninety-nine will be destined to labor in the midst of the crowd. As business men or members of the professions they will form part of the work-a-day world. Their character — and this is equally true in the case of the specialist — will contribute either to the well-being or to the ill-being of the commonwealth. The college has them under its influence during a very susceptible period. Without fashioning them into one mould, it can leave upon them enduring impressions. If it so pleases, it may communicate to them a sense of detachment from the life of their fellows, or, on the other hand, may inspire them with high ideals of sympathy and mutual responsibility. Just now it has a special call to convince its alumni of the duties of practical patriotism, and to quicken within them the ambition to add something to the forces engaged in the purification of national and municipal politics. The task of draining the noisome civic fens of the twentieth century affords an opportunity for many careers.

It is a reason for surprise that America, with all her reputation for being practical, should have allowed her institutions of higher education to drift so far out of touch with national legislation and administration. It may, perhaps, be demonstrable that the English universities have not been as conspicuous as they should have been in the history of research; but they have at any rate made constant contributions to the main stream of public life. The result has been the creation of traditions of public service which have made impossible in England the flagrant

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abuses that disfigure the politics of the United States. The most eminent scholars and men of letters do not consider it incongruous to seek election as representatives of the people in Parliament. For instance, the list of members of the present House of Commons contains the names of Sir Michael Foster, Sir Richard Jebb, Mr. John Morley, Mr. W. E. H. Lecky, and Mr. James Bryce. Imagine a condition of things in which it would be possible for such men as Dr. Ira Remsen, Dr. W. W. Goodwin, or the late Mr. John Fiske to become candidates for Congress! In addition to the eminent men above mentioned there may be found in the House of Commons, by the score, members who have prepared themselves for a political career by a distinguished career at the universities. Indeed, until comparatively recent times, it was the exception for an M.P. not to be a university graduate. Yet in American newspapers one may frequently see interesting little paragraphs in which it is solemnly set forth that a certain proportion of college graduates is actually to be found on the list of those who are entrusted with the government of the country. That such a statement should be regarded as an item of news is not without significance.

In England, again, the Higher Division of the permanent Civil Service is recruited almost entirely from the most successful university men. It is quite the usual thing for a Cambridge wrangler or an Oxford first-classman to go straight from the university to a clerkship in the Colonial Office or the Board of Trade, not because he has a "pull," but because he has acquitted himself well in an examination open to the youth of the whole country. This system makes unnecessary in England the expedient which is in America the most striking exception to the general aloofness of the colleges from public affairs — namely, the occasional appointment of a college president to a diplomatic or other mission abroad. No British Prime Minister would ever think of taking away the head of an Oxford or Cambridge college from his proper work to send him on any kind of national business. In the higher ranks of the permanent Civil Service he can easily lay his hand upon men who possess the combined qualifications of culture and knowledge of affairs. With the exception of the Governor-Generalship and a few other high offices to which direct appointment is made from men of experience in home politics, the government of India, civil and judicial, is carried on entirely by men who have entered the service, from the universities or the best class of secondary schools, through the open door of a competitive examination. The administration of local and provincial affairs in the home country is carried out to a considerable extent by university

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graduates and professional men — clergymen, physicians, schoolmasters — who devote much of their time to service on county, district, or borough councils, or on school boards, without any remuneration direct or indirect. The better class of journalism is largely in the hands not of university men only, but of university men whose distinction while at Oxford or Cambridge showed that they might reasonably have anticipated brilliant careers in the realm of scholarship if they had shrunk from the rough-and-tumble obscurity of work upon the daily and weekly press. Hence, the public opinion of the country, however mistaken and deluded it may sometimes be on individual questions, is as a whole perpetually irrigated by streams from academic sources. This connection between the universities and the government of the nation, illustrated in so many ways, is wholesome alike for politics and for education. It saves politics from becoming materialistic, and education from becoming monastic.

It may, perhaps, be suggested that the missing link between public affairs and higher education may best be supplied by the multiplication of courses of instruction in sociology. Experience scarcely encourages the hope of profitable results from this method. In fact, the chair of sociology, instead of being a means of reconciliation, has rather become the storm centre in American universities. The truth is that this science is as yet in too indeterminate a stage to be a fit subject for academic instruction. If the teacher in this department confines himself to the exposition of such doctrines as are universally admitted, the range of his lectures will be narrow and their educational value small. The moment that he attempts to deal with problems that are still under discussion he treads on dangerous ground. A professor may hold what view he pleases respecting the existence of ballad poetry among the Romans and no one will remonstrate, but he cannot espouse any theory about trusts without giving offence in some quarter or other. The students themselves are the gainers by the postponement of this study until a later period. It should be enough if, while they are at the university, they acquire that general culture and especially that basis of sound historical and philosophical knowledge which will enable them in adult years to grapple with these problems of practical life for themselves. And certainly it is impossible to attribute to the teaching of sociology the closer connection between higher education and public life in England, for the simple reason that in English universities and colleges a chair of sociology is absolutely unknown. Even political economy is studied by only a very small proportion of undergraduates.

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If the secret exists anywhere within the limits of the curriculum itself, it will be much more likely to be found in the choice of the ancient classics. It was not by accident that these studies came to be called "the humanities." They may, of course, be degraded into a machine for the production of a narrow specialism; but such is not their characteristic operation in the hands of enlightened teachers. Mr. Courthope calls attention to the fact that the English ideal of classical education differs alike from the æsthetic ideal of the Italian humanists, who deified the ancients as absolute lawgivers in the sphere of abstract form, and from the scientific ideal of the German universities, which regard the dead languages as one of the many departments of abstract knowledge. "We in England," he says, "on the contrary, look on the classics as a great school of taste, and we consider the education of taste itself as a means to a practical end." It is this political spirit of the national temper — the word "political" being used in its wide Greek sense — which, in Mr. Courthope's opinion, has given a special character to the study of the classics in the English Universities since the days of Erasmus and Colet, of Cheke and Ascham. He quotes from Döllinger, himself distinguished among teachers who have pursued a different ideal, a notable testimony to the efficiency of this system of education:

"These renovated and improved editions of the old and unfortunately extinct German bursaries (*Bursen*), the colleges of Oxford and Cambridge, have many a time as I observed their working on the spot awakened in me feelings of envy, and led me to long for the time when we might again have something of the kind; for I could plainly perceive that their effect was to make instruction take root in the mind, and become a part of it, and that their influence extended beyond the mere communication of knowledge to the ennobling elevation of the life and character."[1]

It would be extravagant to suppose that the qualities which won this commendation from the German historian were entirely the result of the attention given to the teaching of the classics or of the particular methods of teaching adopted in this case. Something must be set to the credit of the traditions of English university and public-school life in matters that lie outside the class-room. Whatever may have been the history of their development, to-day the studies and the traditions act and react on one another. The reading of the classical authors cultivates the taste and widens the intellectual horizon; while the "political spirit" brought to the task enables the student to interpret the message of Thucydides and Plato to modern times, and prevents his scholarship from dissipating itself in minute philological or philosophical sub-

[1] Quoted in "Life in Poetry: Law in Taste," p. 28.

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tleties. It is not easy to say how far it is desirable that these traditions should be followed in a new country, or how it is possible to reproduce what is wholesome and strong in them without taking also those phases which do not deserve to be continued or propagated. But at any rate it is most necessary that, however eager their ambition to gain distinction by producing brilliant specialists, our colleges shall remember that they were established not so much to extract and consecrate, from out of the multitude, an intellectual *élite*, as, in the significant words of Isaiah, to "raise up the foundations of many generations."

HERBERT W. HORWILL.

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WRITERS IN THE OCTOBER FORUM.

Representative Henry Sherman Boutell was born in Boston, Massachusetts, in 1856. Was taken West by his parents in 1863. Graduated from Northwestern University in 1874 and from Harvard in 1876. In 1877 received the degree of A.M. from Harvard for post-graduate studies in International Law and Constitutional History. Was admitted to the Illinois bar, and to the bar of the Supreme Court of the United States in 1879. Has since practised in Chicago. Was elected a member of the 55th Congress as a Republican from the North Side District of Chicago, and was reëlected to the 56th and the 57th Congresses. Made in the House of Representatives the first argument offered in the first session of the 56th Congress in support of the absolute power of Congress to regulate and dispose of territory acquired by the United States, basing his position upon the historical precedents established by the purchase of Louisiana and the sale of Texas.

Dr. P. Maxwell Foshay, a physician of Cleveland, Ohio, was born in 1867. Graduated M.S., M.D. from the University of Pennsylvania. In 1892 was Secretary of the Rochester Academy of Science. In 1893 assisted in the organization of the Cleveland Medical Society, and in 1897 served as its Secretary. Since 1896 has been editor of the Cleveland "Journal of Medicine." Is a member of several medical societies, and has been a contributor to various medical journals. Is at present Secretary of the Ohio State Medical Society, and President of the Board of Trustees of the Ohio Hospital for Epileptics. During the present year served as one of the three members of the Committee on Reorganization of the American Medical Association.

Mr. E. Friend was born in Vienna, Austria, in 1864. Was educated at the University of Vienna. Came to the United States in 1882. Entered journalism in 1886, and has contributed to German, British, and American periodicals. Was dramatic critic and later editorial writer in Chicago. Since 1896 has been financial editor of the "Chicago Daily News." Spent some time in Paris last year in the study of French conditions.

Mr. Herbert W. Horwill was born at Sandown, England, in 1864. In 1882 entered Wadham College, Oxford, with an open classical scholarship, and graduated in 1886, after taking high honors in Moderations and Litteræ Humaniores. In 1887 won the Chancellor's prize at Oxford, and the gold medal in classics at the M.A. examination of London University. Is a Nonconformist minister, but without pastoral charge for reasons of health. Is now engaged in literary work in New York. Has contributed to several leading English and American publications, mainly on educational topics.

Prof. David Kinley was born in Dundee, Scotland, in 1861. Came to the United States at the age of eleven, and settled in Andover, Massachusetts. After graduating from Phillips Academy, in that town, went to Yale and was graduated in the collegiate department in 1884. Then became principal of the high school in North Andover for six years. From 1890 to 1892 studied in the department of history and political science at Johns Hopkins University. During the latter year was also assistant in history and instructor in political economy in the Woman's College of Baltimore. In 1892 went to the University of Wisconsin as fellow and assistant in economics, and there received the degree of Ph.D. In 1893 was called to the University of Illinois, where he is now Professor of Economics and Dean of the College

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of Literature and Arts. Has published a book on "The Independent Treasury of the United States," and has contributed articles from time to time to the various periodicals.

MR. R. E. C. LONG is a well-known London journalist, on the editorial staff of the "Review of Reviews," and a contributor to other prominent British publications. Has resided for some time in Russia, and is personally acquainted with many leading public men—including Count Tolstoy, M. de Bloch, and several high governmental personages—in that country. His present article is written from facts collected by him in Russia, and not hitherto published abroad.

MR. A. MAURICE LOW was born in London, and educated in London and Austria. Has been for several years the Washington correspondent of the Boston "Globe" and the London "Chronicle," and writes the monthly article on American affairs in "The National Review."

PROF. DARIUS HARLAN PINGREY was born in Andover, New York. Is an alumnus of Alfred University. After graduation, engaged in educational work in New York and Pennsylvania until 1867, when he became an assistant shorthand reporter in the United States Senate. Resigned that position and went to Illinois the same year. Was superintendent and principal of city schools until 1878, when he was admitted to the bar of the State and of the United States. Then opened an office in Bloomington, Illinois. Is the author of four legal works which are recognized as standard by the bench and the bar. In 1894 received the degree of LL.D. from Alfred University. In 1898 became a Professor in the Law School of the Illinois Wesleyan University. In 1899 wrote for the "Chicago Legal News" a series of articles on "The Status of our New Acquisitions" which attracted the attention of American and European jurists. Is a member of the Illinois State Bar Association and the American Bar Association.

MR. ALBERT GARDNER ROBINSON was born in Winchester, Massachusetts, in 1855. On leaving school entered commercial life. In this he remained for some twenty-five years, until the beginning of the Spanish-American war, in the spring of 1898, when he accepted a position as correspondent for the New York "Evening Post." In that capacity he served in Porto Rico, going out with the earliest detachment of troops, and remaining until after the taking of formal possession, at San Juan; in Cuba, where he watched the initial steps of the government of intervention; in the Philippine Islands; and in South Africa.

MR. ALBERT WATKINS was born in Worcester, England, in 1848, and removed to Wisconsin the following year. Graduated from the University of Wisconsin in both the academic and the law departments. Subsequently became interested in, and editor of, the "Democrat," of Mineral Point, Wis., the "Tribune," of Sioux City, Ia., and the "Daily State Democrat," of Lincoln, Neb. Was always a strong advocate of "sound money." Was postmaster of Lincoln from 1885 to 1891. Opposed Mr. Bryan on the silver question as early as 1892, and quit the Democratic party in 1896 on that issue. Was a delegate to the Indianapolis Convention of 1896, acting as a member of the sub-committee on platform, and taking an active part in drafting resolutions.

MR. HENRY LITCHFIELD WEST, a native of New York, is one of the best-known and ablest writers on political subjects at the National capital. For a number of years has occupied an editorial position on the Washington "Post," in charge of the Congressional and political work.

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